

HOUSE BILL 72

B1

11r0143
CF SB 87

By: **The Speaker (By Request – Administration)**

Introduced and read first time: January 21, 2011

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 21, 2011

CHAPTER _____

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2011**

3 FOR the purpose of altering or repealing certain required appropriations; altering the
4 distribution of certain revenues; altering or repealing certain funding
5 requirements; altering the authorized use of certain funds; altering or repealing
6 certain grant programs; authorizing certain units of government to charge a
7 certain fee for certain purposes; ~~repealing~~ altering certain requirements for a
8 certain notice relating to abandoned property to be published in certain
9 newspapers; requiring the Comptroller to maintain, or cause to be maintained,
10 an abandoned property database containing the names and last known
11 addresses, if any, of persons listed in certain reports; requiring the Comptroller
12 to maintain, or cause to be maintained, a certain Internet website relating to
13 the abandoned property database; requiring the Comptroller to publish certain
14 notices of a certain Internet website; altering the distribution of certain moving
15 violation surcharges; altering the amount of a certain surcharge imposed for
16 recording certain instruments for certain fiscal years; altering ~~a certain fee~~
17 certain fees imposed on persons supervised by the Division of Parole and
18 Probation; altering certain State education funding for a certain fiscal year;
19 providing that certain grants to county boards of education may be funded from
20 the proceeds of certain bonds; requiring certain counties to reimburse the State
21 for certain nonpublic education costs; authorizing the Maryland Higher
22 Education Commission to impose certain fees; altering the calculation of certain
23 State aid to community colleges; altering the calculation of certain State aid to
24 certain nonpublic institutions of higher education; prohibiting new awards
25 under a certain scholarship program and abolishing the program by a certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ~~date; altering the payment schedule for certain developmental disabilities~~
2 ~~providers; providing for the accreditation of certain youth camps by nationally~~
3 ~~recognized organizations; altering certain youth camp regulatory~~
4 ~~responsibilities of the Department of Health and Mental Hygiene; repealing~~
5 ~~certain youth camp inspection requirements; abolishing the Youth Camp Safety~~
6 ~~Advisory Council; altering certain hospital assessments for certain purposes~~
7 establishing a Need-based Student Financial Assistance Fund as a special,
8 non-lapsing fund to be administered by the Commission; altering the amount of
9 the fee collected by the Department of Health and Mental Hygiene for certain
10 certificates and reports; altering the amount of certain fees collected by local
11 health departments required to be transferred to the General Fund of the State;
12 requiring the Department of Health and Mental Hygiene to ensure that certain
13 publicly operated hospitals pay certain assessments comparable to certain
14 assessments imposed on certain hospitals; altering certain provisions relating to
15 certain hospital assessments; requiring the Health Services Cost Review
16 Commission for a certain fiscal year to approve a combination of hospital
17 assessments and remittances in a certain amount for certain purposes;
18 requiring the Commission and the Department to adopt certain policies that
19 will provide at least a certain amount from certain revenues and certain
20 savings; altering a certain quality assessment on certain nursing facilities;
21 repealing the sunset date for the quality assessment paid by certain nursing
22 facilities; removing a certain limitation applicable to certain counties on the
23 amount of certain license fees authorized to be imposed by the counties for
24 certain licenses for food establishments; making the Injured Workers' Insurance
25 Fund subject to the premium tax; altering certain provisions relating to certain
26 requirements that certain nonprofit health service plans use certain funds for
27 certain purposes under certain circumstances; requiring that certain
28 information be included in a certain plan prior to approval by the Department of
29 Information Technology; providing that certain proceeds derived from certain
30 sales by the Department of State Police be allocated to the State Annuity Bond
31 Fund; authorizing the Maryland Environmental Service to establish certain
32 project reserve funds; prohibiting the Service from retaining more than certain
33 amounts in the project reserve funds; requiring the reversion of certain excesses
34 to certain funds; requiring the transfer of certain interest from certain funds
35 into the General Fund; authorizing the State to establish separate health
36 insurance benefit options for retirees that differ from those for active employees;
37 requiring that the health insurance benefit option for retirees include a certain
38 prescription drug benefit; altering eligibility in the State Employees and
39 Retirees Health and Welfare Benefits Program for certain retirees who begin
40 State service on or after a certain date and their surviving spouses or dependent
41 children; ~~authorizing~~ requiring the State to discontinue certain health benefits
42 for certain retirees in a certain year; altering certain requirements that certain
43 subsidies be deposited in the State Employees and Retirees Health and Welfare
44 Benefits Program; setting a certain limit on a certain amount paid by the State
45 to certain funds of the State Retirement and Pension System; requiring the
46 Board of Trustees for the State Retirement and Pension System to certify
47 certain information to the Governor and the Secretary of Budget and

1 Management on or before certain dates; requiring the Governor to include
2 certain amounts in the budget bill for payment to the State Retirement and
3 Pension System; establishing a certain reformed contributory pension benefit
4 for new and certain returning members of the Employees' Pension System and
5 the Teachers' Pension System on or after a certain date; altering for certain
6 members of the ~~Employees' Pension System and the Teachers' Pension System~~
7 State Retirement and Pension System the method for calculating the average
8 final compensation that is used to determine certain retirement allowances;
9 requiring the adjustment of a certain employer contribution rate for certain
10 State retirement and pension systems to reflect the cost of legislative changes
11 under certain circumstances; ~~requiring certain members of the Employees'~~
12 ~~Pension System and the Teachers' Pension System to make a certain selection~~
13 ~~that affects the rate of member contributions and the rate used to calculate~~
14 ~~certain benefits; providing for a certain selection if an individual fails to make a~~
15 ~~selection on or before a certain date or within a certain time period; making the~~
16 ~~selections irrevocable and not subject to change; altering the rate of member~~
17 ~~contributions and the method for calculating certain benefits for certain~~
18 members of the Employees' Pension System and the Teachers' Pension System;
19 providing that employees of certain participating governmental units
20 participating in the State Retirement and Pension System are not subject to a
21 certain reformed contributory pension benefit; altering eligibility for, and the
22 method of calculating, an early service retirement allowance for certain
23 members of the Employees' Pension System and the Teachers' Pension System;
24 altering the number of years of eligibility service required for certain members
25 of the State Police Retirement System to become eligible to receive certain
26 retirement benefits; altering certain eligibility requirements for participation in
27 certain deferred retirement option programs for members of the State Police
28 Retirement System ~~and the Law Enforcement Officers' Pension System;~~
29 altering the rate of member contributions for certain members of the Law
30 Enforcement Officers' Pension System; altering the interest rate that certain
31 benefits earn in certain deferred retirement option programs for members of the
32 State Police Retirement System and the Law Enforcement Officers' Pension
33 System; altering the rate of member contributions for certain members of the
34 Judges' Retirement System; altering certain eligibility requirements for a
35 certain vested allowance for certain members of the ~~Employees' Pension System~~
36 ~~and the Teachers' Pension System~~ State Retirement and Pension System;
37 providing for a certain cost-of-living adjustment for members of the ~~Employees'~~
38 ~~Pension System and the Teachers' Pension System~~ State Retirement and
39 Pension System who are subject to the reformed contributory pension benefit;
40 altering the method for applying service credit for military service so as to use
41 the accrual rate in effect at the time of application for the military service
42 credit; clarifying that certain members of the State Reformed Contributory
43 Employees' Pension System or the State Reformed Contributory Teachers'
44 Pension System may transfer certain service credit in a certain manner;
45 requiring the Governor's Salary Commission and the General Assembly Salary
46 Commission to make certain recommendations concerning benefit and
47 contribution levels; requiring the Board of Trustees for the State Retirement

1 and Pension System to provide certain reports to the Governor and the Joint
2 Committee on Pensions; providing that certain administrative and operational
3 expenses of the Board of Trustees of the State Retirement and Pension System
4 and the State Retirement Agency shall be paid by certain employers in a certain
5 manner and may not be transferred from certain funds; requiring the Board of
6 Trustees to determine and certify to the State and certain employers certain
7 amounts payable; requiring the Governor to include a certain amount certified
8 by the Board of Trustees in the annual budget bill; providing for the manner of
9 payment of certain administrative and operational expenses of the Board of
10 Trustees by certain employers; requiring the Comptroller to exercise the right of
11 setoff against any money due or becoming due to certain employers under
12 certain circumstances; altering certain provisions relating to a certain credit
13 allowed to vendors for collecting and paying the sales and use tax; requiring the
14 counties and Baltimore City to share certain costs of administering the
15 Department of Assessments and Taxation; authorizing the Comptroller to
16 withhold the distribution of certain local income tax revenue to a county or
17 Baltimore City under certain circumstances; altering the calculation of a certain
18 mandatory property tax credit for certain property located in certain enterprise
19 zones; authorizing the governing body of a county or of a municipal corporation
20 to grant, by law, a local supplement to a certain mandatory property tax credit
21 for certain property located in certain enterprise zones; providing that a county
22 or municipal corporation may not obtain reimbursement from the State for the
23 revenues that would have been collected if a certain local supplement had not
24 been granted; prohibiting the transfer or diversion of funds in the
25 Transportation Trust Fund unless certain legislation is enacted prior to the
26 transfer or diversion; altering certain provisions relating to the funding of a
27 certain highway; altering the pledging of certain revenues for certain purposes;
28 providing that certain altered distributions of certain revenues do not apply
29 until certain bonds are no longer outstanding and unpaid, except under certain
30 circumstances; requiring the Maryland Transit Administration to include
31 certain information in a certain report; requiring the Administration to set
32 certain fares for certain transit services at an amount sufficient to achieve a
33 certain farebox recovery requirement; requiring the Maryland Aviation
34 Administration Fire Rescue Service to charge a certain ambulance transport
35 fee; altering the distribution of certain highway user revenues ~~for a certain~~
36 ~~fiscal year; requiring certain tax clearance verification before registration or~~
37 ~~renewal of; altering certain limitations and requirements relating to certain~~
38 ~~miscellaneous fees that the Motor Vehicle Administration is authorized to set;~~
39 ~~altering the amount of certain fees related to motor vehicles; altering certain~~
40 ~~provisions relating to a certain fee for certain vehicle emissions inspections;~~
41 ~~prohibiting the Motor Vehicle Administration from renewing or transferring the~~
42 ~~registration of a motor vehicle; requiring certain tax clearance verification~~
43 ~~before issuance or renewal of~~ under certain circumstances; prohibiting the
44 Administration from renewing a driver's license under certain circumstances;
45 requiring the Administration to cooperate with the Comptroller and the
46 Department of Labor, Licensing, and Regulation to develop certain procedures
47 and adopt certain regulations; ~~requiring the Motor Vehicle Administration to~~

~~assess certain fees against certain licensees under certain circumstances;~~
~~requiring the Administration to send a notice to an individual subject to a~~
~~certain fee; requiring the suspension of an individual's driver's license unless~~
~~the individual pays a certain fee; providing for the distribution of certain fees~~
~~assessed by the Administration; requiring a court to provide a certain notice to a~~
~~certain defendant; repealing certain credits allowed against certain taxes for the~~
~~purchase of Maryland mined coal; delaying a certain requirement for the State~~
Department of Education to conduct a certain study of the adequacy of
education funding in the State; requiring the study to incorporate certain
standards and certain results from certain assessments; authorizing the
transfer of certain funds for certain purposes; providing that the Governor is not
~~required to include certain appropriations in the budget for certain fiscal years~~
~~under certain circumstances; providing that certain retirees of the State~~
Retirement Agency may be exempt from a certain earnings offset for a certain
period of time if they are reemployed by the State Retirement Agency in a
certain manner; prohibiting certain payments for certain rate increases for
certain providers for a certain fiscal year; prohibiting the payment of certain
merit increases for certain State employees for a certain period; authorizing the
prefunding of certain education funding obligations; providing that if certain
institutions of higher education create a certain voluntary separation program,
the institutions shall provide that certain positions be abolished and may not
recreate certain positions and certain funds appropriated for a certain fiscal
year shall be transferred to the General Fund; requiring the transfer of certain
funds to the General Fund to reimburse the State for certain State
~~administrative expenses, subject to certain contingencies; requiring the~~
Maryland Insurance Administration to work with the Health Services Cost
Review Commission and the Maryland Health Care Commission to develop a
mechanism for identifying hospital rate adjustments and assessments as
components in a certain process, take into account in its work certain items, and
report its findings and recommendations to the Governor and the General
Assembly on or before a certain date; making the provisions of this Act
severable; providing for the effective dates and application of this Act; and
generally relating to the financing of State government.

BY repealing and reenacting, with amendments,
 Article – Commercial Law
 Section 15–607 ~~and~~, 17–311, and 17–317(a)
 Annotated Code of Maryland
 (2005 Replacement Volume and 2010 Supplement)

BY repealing and reenacting, with amendments,
Article – Correctional Services
Section 7–702(b)
Annotated Code of Maryland
(2008 Replacement Volume and 2010 Supplement)

BY repealing and reenacting, with amendments,

1 Article – Courts and Judicial Proceedings
 2 Section 7–301(f) and 13–604(a)
 3 Annotated Code of Maryland
 4 (2006 Replacement Volume and 2010 Supplement)

5 BY repealing and reenacting, with amendments,
 6 Article – Criminal Procedure
 7 Section 6–226(b)
 8 Annotated Code of Maryland
 9 (2008 Replacement Volume and 2010 Supplement)

10 ~~BY repealing and reenacting, with amendments,~~
 11 ~~Article – Economic Development~~
 12 ~~Section 10–523(a)(3)(i)~~
 13 ~~Annotated Code of Maryland~~
 14 ~~(2008 Volume and 2010 Supplement)~~

15 BY repealing and reenacting, with amendments,
 16 Article – Education
 17 Section 5–202(a)(13), 5–206(f)(1), 11–105(o), 16–305(c)(1)(i), 16–310(d)(1),
 18 17–104(a)(1), 18–107, 23–205(c) and (d), and 23–503(b)
 19 Annotated Code of Maryland
 20 (2008 Replacement Volume and 2010 Supplement)

21 BY adding to
 22 Article – Education
 23 Section 8–507 and, 18–1107, and 22–306.1
 24 Annotated Code of Maryland
 25 (2008 Replacement Volume and 2010 Supplement)

26 BY repealing and reenacting, with amendments,
 27 Article – Financial Institutions
 28 Section 13–1114(g)(3)
 29 Annotated Code of Maryland
 30 (2003 Replacement Volume and 2010 Supplement)

31 ~~BY repealing~~
 32 ~~Article – Health – General~~
 33 ~~Section 14–401(b), (d), and (e), 14–402(b), (c), and (d), and 14–403 through~~
 34 ~~14–410~~
 35 ~~Annotated Code of Maryland~~
 36 ~~(2009 Replacement Volume and 2010 Supplement)~~

37 BY repealing and reenacting, with amendments,
 38 Article – Health – General
 39 ~~Section 7–306.1(d), 14–402(a), 14–411, 19–214(b) through (c), and 19–310.1(b)~~
 40 Section 4–217(c)(1) and (3), 19–214(d)(2)(i) and (e), 19–310.1(b), and 21–308(b)

1 Annotated Code of Maryland
2 (2009 Replacement Volume and 2010 Supplement)

3 BY adding to
4 Article – Health – General
5 ~~Section 14-401(b), 14-402(b), and 14-403 through 14-405~~
6 Section 15-702
7 Annotated Code of Maryland
8 (2009 Replacement Volume and 2010 Supplement)

9 BY repealing and reenacting, with amendments,
10 Article – Insurance
11 Section 6-101(a)
12 Annotated Code of Maryland
13 (2003 Replacement Volume and 2010 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Insurance
16 Section 14-106(d)(1)(iv) and (2) and 14-106.1
17 Annotated Code of Maryland
18 (2006 Replacement Volume and 2010 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Labor and Employment
21 Section 10-105(a)
22 Annotated Code of Maryland
23 (2008 Replacement Volume and 2010 Supplement)

24 BY repealing and reenacting, with amendments,
25 Article – Natural Resources
26 ~~Section 5-212(g), 5-212.1(g), and 5-215(b) and (c)~~
27 Section 3-103(h), 5-212(g), 5-212.1(g), and 5-903(a)(2)(v)
28 Annotated Code of Maryland
29 (2005 Replacement Volume and 2010 Supplement)

30 BY repealing and reenacting, with amendments,
31 Article – State Finance and Procurement
32 Section ~~3A-308(g), 3A-309(e) and~~ 6-226(a), and 10-306(c)
33 Annotated Code of Maryland
34 (2009 Replacement Volume and 2010 Supplement)

35 BY adding to
36 Article – State Personnel and Pensions
37 Section ~~2-508(b)(3), 2-508(c) and (d), 20-101(hh-1), 20-205.1, 23-212(d) and (e),~~
38 ~~23-221(d)~~ 21-316, 23-212(d); 23-225 and 23-226 to be under the new
39 part “Part IV. Reformed Contributory Pension Benefit”; ~~23-401(f) and (g),~~
40 ~~29-303(h)~~ 29-302(b-1), 29-303(b-1); 29-430 through 29-432 to be under

1 the new part “Part VII. Three/One Percent Compound Adjustment”; ~~and~~
 2 ~~31-116.2~~ 29-435 and 29-436 to be under the new part “Part VIII.
 3 Three/One Percent Compound Combination Adjustment”; 31-116.2, and
 4 37-101(r-1) and (r-2)

5 Annotated Code of Maryland
 6 (2009 Replacement Volume and 2010 Supplement)

7 BY repealing and reenacting, with amendments,
 8 Article – State Personnel and Pensions
 9 Section ~~2-508(b) and (c), 2-509, 2-509.1, 2-516, 20-101(g) and (bb), ~~20-205(a),~~~~
 10 ~~21-304(e) and (f), 20-204, 20-205(a), 21-302(b), 21-303(d), 21-304(a)(2),~~
 11 ~~(b), (e), and (f), 21-308(a), ~~23-212(e), 23-221(a), 23-222, 23-401(a), (b),~~~~
 12 ~~and (d), 23-402, 24-401.1(e), 26-401.1(e), 27-202, 29-303(b), (c), and (e),~~
 13 ~~34-101(d), and 38-104(d)~~ 23-212(c), 23-401(a) and (b), 23-402,
 14 24-401(a), 24-401.1(c), (d), and (h)(2), 26-204(a), 26-401.1(h)(2), 27-202,
 15 29-302(b), 29-303(b), 29-410, 29-425, 34-101(d), 37-101(j), 37-203(a),
 16 37-203.1(a), (b)(1) and (3)(i)1., (c)(1), and (d)(1), and 38-104(d)

17 Annotated Code of Maryland
 18 (2009 Replacement Volume and 2010 Supplement)

19 BY repealing and reenacting, without amendments,
 20 Article – State Personnel and Pensions
 21 Section ~~29-302(a) and 29-303(a)~~
 22 Annotated Code of Maryland
 23 (2009 Replacement Volume and 2010 Supplement)

24 BY repealing and reenacting, with amendments,
 25 Article – Tax – General
 26 Section ~~2-202(b), 2-614, 2-1104, 2-1302.1, 2-1303,~~ and 11-105(c)
 27 Annotated Code of Maryland
 28 (2010 Replacement Volume)

29 BY repealing
 30 Article – Tax – General
 31 Section ~~2-1302.2~~
 32 Annotated Code of Maryland
 33 (2010 Replacement Volume)

34 BY repealing and reenacting, with amendments,
 35 Article – Tax – Property
 36 Section ~~2-106 and 9-103(d)(1) and (4)~~
 37 Annotated Code of Maryland
 38 (2007 Replacement Volume and 2010 Supplement)

39 BY adding to
 40 Article – Tax – Property
 41 Section ~~9-255~~

1 Annotated Code of Maryland
 2 (2007 Replacement Volume and 2010 Supplement)

3 BY repealing
 4 Article – Transportation
 5 Section 1–103(c)
 6 Annotated Code of Maryland
 7 (2008 Replacement Volume and 2010 Supplement)

8 BY repealing and reenacting, with amendments,
 9 Article – Transportation
 10 Section 3–215(b), 4–321(e) and ~~8–402(e)(2)~~, 7–208(b), 8–402(c), and 8–403
 11 Annotated Code of Maryland
 12 (2008 Replacement Volume and 2010 Supplement)

13 BY adding to
 14 Article – Transportation
 15 Section 3–217, 5–415, and 7–208(b–1)
 16 Annotated Code of Maryland
 17 (2008 Replacement Volume and 2010 Supplement)

18 ~~BY repealing and reenacting, with amendments,~~
 19 ~~Article – Transportation~~
 20 ~~Section 12–120(a), 13–406(9) and (10), and 16–103.1(11) and (12)~~
 21 ~~Annotated Code of Maryland~~
 22 ~~(2009 Replacement Volume and 2010 Supplement)~~

23 BY repealing and reenacting, with amendments,
 24 Article – Transportation
 25 Section 12–120, 13–613(b), 13–802, and 23–205
 26 Annotated Code of Maryland
 27 (2009 Replacement Volume and 2010 Supplement)

28 BY adding to
 29 Article – Transportation
 30 ~~Section 13–406(11), 16–115(j); and 16–1001 through 16–1003 to be under the~~
 31 ~~new subtitle “Subtitle 10. Assessment of Fees”~~
 32 Section 13–406.2 and 16–115(j)
 33 Annotated Code of Maryland
 34 (2009 Replacement Volume and 2010 Supplement)

35 BY repealing and reenacting, with amendments,
 36 Chapter 288 of the Acts of the General Assembly of 2002
 37 Section 7

38 BY repealing and reenacting, with amendments,
 39 Chapter 503 of the Acts of the General Assembly of 2007

1 Section 6

2 BY repealing

3 Article – Education

4 Section 18–1101 through 18–1107 and the subtitle “Subtitle 11. Distinguished
5 Scholar Programs”

6 Annotated Code of Maryland

7 (2008 Replacement Volume and 2010 Supplement)

8 ~~BY repealing~~

9 ~~Article – Education~~

10 ~~Section 18–1201 through 18–1207 and the subtitle “Subtitle 12. Private Career
11 School Student Grant Program”~~

12 ~~Annotated Code of Maryland~~

13 ~~(2008 Replacement Volume and 2010 Supplement)~~

14 ~~BY repealing~~

15 ~~Article – Tax – General~~

16 ~~Section 8–406(b) and 10–704.1~~

17 ~~Annotated Code of Maryland~~

18 ~~(2010 Replacement Volume)~~

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article – Commercial Law**

22 15–607.

23 (A) Wages, due from or payable by the State, or a county, municipal
24 corporation, or other political subdivision, and the public officers of the State or a
25 county, municipal corporation, or other political subdivision to an individual, are
26 subject to attachment process brought for the enforcement of the private legal
27 obligations of the individual in the same manner and to the same extent as if the
28 State, county, municipal corporation, or other political subdivision, and their
29 respective public officers, were a private person.

30 (B) THE STATE, OR A COUNTY, MUNICIPAL CORPORATION, OR OTHER
31 POLITICAL SUBDIVISION, AND THEIR RESPECTIVE PUBLIC OFFICERS, MAY
32 DEDUCT AND RETAIN FROM THE INDIVIDUAL’S WAGES AN ADDITIONAL \$2 FOR
33 EACH DEDUCTION MADE UNDER THE ATTACHMENT PROCESS OF THIS SUBTITLE
34 OR UNDER TITLE 31, U.S.C. § 3720D.

35 17–311.

1 ~~[(a) (1) Within 365 days from the filing of the report required by § 17-310~~
2 ~~of this subtitle, the Administrator shall cause notice to be published in a newspaper of~~
3 ~~general circulation in the county in the State within which is located the last known~~
4 ~~address of any person to be named in the notice.~~

5 ~~(2) If an address is not listed or if the address is outside the State, the~~
6 ~~notice shall be published in the county within which the person who held the~~
7 ~~abandoned property has the principal place of business in this State.~~

8 ~~(b) The published notice shall be entitled “Notice of Names of Persons~~
9 ~~Appearing to Be Owners of Abandoned Property” and shall contain:~~

10 ~~(1) The names in alphabetical order and last known addresses, if any,~~
11 ~~of persons listed in the report and entitled to notice in the county specified in this~~
12 ~~section;~~

13 ~~(2) A statement that information concerning the amount or description~~
14 ~~of the property and the name and address of the person who held the property may be~~
15 ~~obtained by any person who possesses an interest in the property, by addressing an~~
16 ~~inquiry to the Administrator; and~~

17 ~~(3) A statement that a proof of claim may be presented by the owner to~~
18 ~~the Administrator.~~

19 ~~(e) The Administrator is not required to publish in the notice any item~~
20 ~~valued at less than \$100 unless the Administrator considers the publication to be in~~
21 ~~the public interest.]~~

22 **(A) IN THIS SECTION, “ABANDONED PROPERTY DATABASE” MEANS AN**
23 **ELECTRONIC DATABASE CONTAINING THE NAMES AND LAST KNOWN**
24 **ADDRESSES, IF ANY, OF PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED**
25 **PROPERTY.**

26 **(B) (1) THE ADMINISTRATOR SHALL MAINTAIN, OR CAUSE TO BE**
27 **MAINTAINED, AN ABANDONED PROPERTY DATABASE.**

28 **(2) WITHIN 365 DAYS AFTER THE FILING OF THE REPORT**
29 **REQUIRED BY § 17-310 OF THIS SUBTITLE, THE ADMINISTRATOR SHALL ADD TO**
30 **THE ABANDONED PROPERTY DATABASE THE NAMES AND LAST KNOWN**
31 **ADDRESSES, IF ANY, OF PERSONS LISTED IN THE REPORT.**

32 **(3) THE ADMINISTRATOR SHALL MAINTAIN, OR CAUSE TO BE**
33 **MAINTAINED, AN INTERNET WEBSITE THAT:**

1 **(I) PROVIDES REASONABLE MEANS BY WHICH A PERSON**
2 **MAY SEARCH THE ABANDONED PROPERTY DATABASE REQUIRED BY THIS**
3 **SUBSECTION;**

4 **(II) CONTAINS A STATEMENT THAT INFORMATION**
5 **CONCERNING THE AMOUNT OR DESCRIPTION OF THE PROPERTY AND THE NAME**
6 **AND ADDRESS OF THE PERSON WHO HELD THE PROPERTY MAY BE OBTAINED BY**
7 **ANY PERSON WHO POSSESSES AN INTEREST IN THE PROPERTY, BY ADDRESSING**
8 **AN INQUIRY TO THE ADMINISTRATOR;**

9 **(III) CONTAINS A STATEMENT THAT A PROOF OF CLAIM MAY**
10 **BE PRESENTED BY THE OWNER TO THE ADMINISTRATOR; AND**

11 **(IV) INCLUDES A LINK TO AN ABANDONED PROPERTY CLAIM**
12 **FORM.**

13 **(C) (1) THE ADMINISTRATOR SHALL PUBLISH NOTICE OF THE**
14 **INTERNET WEBSITE REQUIRED BY SUBSECTION (B)(3) OF THIS SECTION.**

15 **(2) THE NOTICE SHALL:**

16 **(I) BE PUBLISHED AT LEAST ONCE EACH CALENDAR**
17 **QUARTER IN ONE OR MORE NEWSPAPERS OF GENERAL CIRCULATION IN EACH**
18 **COUNTY OF THE STATE; AND**

19 **(II) CONTAIN:**

20 **1. A STATEMENT THAT THE ADMINISTRATOR**
21 **MAINTAINS RECORDS OF THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF**
22 **PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED PROPERTY;**

23 **2. A STATEMENT THAT ANY PERSON MAY SEARCH**
24 **THE ADMINISTRATOR'S ABANDONED PROPERTY RECORDS THROUGH THE**
25 **ADMINISTRATOR'S INTERNET WEBSITE; AND**

26 **3. THE ADDRESS OF THE INTERNET WEBSITE.**

27 **[(a)] (D) (1) Within 365 days from the filing of the report required by §**
28 **17-310 of this subtitle, the Administrator shall cause notice to be published in a**
29 **newspaper of general circulation in [the county] THE COUNTIES in the State**
30 **IDENTIFIED AS FEDERALLY DESIGNATED RURAL COUNTIES BY THE RURAL**
31 **MARYLAND COUNCIL** within which is located the last known address of any person
32 **to be named in the notice.**

1 (2) If an address is not listed or if the address is outside the State, the
2 notice shall be published in the county within which the person who held the
3 abandoned property has the principal place of business in this State, **IF THE COUNTY**
4 **IS IDENTIFIED AS A FEDERALLY DESIGNATED RURAL COUNTY BY THE RURAL**
5 **MARYLAND COUNCIL.**

6 **[(b)] (E)** The published notice **REQUIRED UNDER SUBSECTION (D) OF**
7 **THIS SECTION** shall be entitled “Notice of Names of Persons Appearing to Be Owners
8 of Abandoned Property” and shall contain:

9 (1) The names in alphabetical order and last known addresses, if any,
10 of persons listed in the report and entitled to notice in the county specified in
11 **SUBSECTION (D) OF** this section:

12 (2) A statement that information concerning the amount or description
13 of the property and the name and address of the person who held the property may be
14 obtained by any person who possesses an interest in the property, by addressing an
15 inquiry to the Administrator; and

16 (3) A statement that a proof of claim may be presented by the owner to
17 the Administrator.

18 **[(c)] (F)** The Administrator is not required to publish in the notice
19 **REQUIRED UNDER SUBSECTION (D) OF THIS SECTION** any item valued at less than
20 \$100 unless the Administrator considers the publication to be in the public interest.

21 ~~(d)~~ **(G)** Within 120 days from the receipt of the report required by §
22 17–310 of this subtitle, the Administrator shall mail a notice to each person who has
23 an address listed in the report who appears entitled to property valued at \$100 or
24 more and presumed abandoned under this subtitle.

25 ~~(e)~~ **(H)** The mailed notice shall contain:

26 (1) A statement that, according to a report filed with the
27 Administrator, property is being held to which the addressee appears entitled;

28 (2) The name and address of the person who held the property and
29 any necessary information regarding any change of the name or address of the holder;
30 and

31 (3) A statement that a proof of claim may be presented by the owner to
32 the Administrator.

33 17–317.

1 (a) (1) All funds received under this title, including the proceeds of the
2 sale of abandoned property under § 17–316 of this subtitle, shall be credited by the
3 Administrator to a special fund. The Administrator shall retain in the special fund at
4 the end of each fiscal year, from the proceeds received, an amount not to exceed
5 \$50,000, from which sum the Administrator shall pay any claim allowed under this
6 title.

7 [(2) After deducting all costs incurred in administering this title from
8 the remaining net funds the Administrator shall distribute \$500,000 to the Maryland
9 Legal Services Corporation to support the activities of the corporation.]

10 [(3) (2) (i) Subject to subparagraph (ii) of this paragraph, the
11 Administrator shall distribute all unclaimed money from judgments of restitution
12 under Title 11, Subtitle 6 of the Criminal Procedure Article to the State Victims of
13 Crime Fund established under § 11–916 of the Criminal Procedure Article to assist
14 victims of crimes and delinquent acts to protect the victims’ rights as provided by law.

15 (ii) If a victim entitled to restitution that has been treated as
16 abandoned property under § 11–614 of the Criminal Procedure Article is located after
17 the money has been distributed under this paragraph, the Administrator shall reduce
18 the next distribution to the State Victims of Crime Fund by the amount recovered by
19 the victim.

20 [(4) (3) After making the distributions required under [paragraphs
21 (2) and (3)] PARAGRAPH (2) of this subsection, the Administrator shall distribute the
22 remaining net funds not retained under paragraph (1) of this subsection to the
23 General Fund of the State.

24 Article – Correctional Services

25 7–702.

26 (b) Unless a supervisee is exempted by the Commission under subsection (d)
27 of this section, the Commission shall assess a monthly fee of [\\$40] \$50 as a condition
28 of supervision for each supervisee.

29 Article – Courts and Judicial Proceedings

30 7–301.

31 (f) (1) This subsection does not apply to a traffic case under § 21–202.1, §
32 21–809, or § 21–810 of the Transportation Article or to a parking or impounding case.

33 (2) In a traffic case under subsection (a)(1) of this section the court
34 shall add a \$7.50 surcharge to the court costs imposed by the court.

1 (3) (I) The Comptroller annually shall credit the surcharges
2 collected under this subsection [to:

3 (i) The Volunteer Company Assistance Fund to be used in
4 accordance with the provisions of Title 8, Subtitle 2 of the Public Safety Article; and

5 (ii) The General Fund after \$20,000,000 is credited to the
6 Volunteer Company Assistance Fund in accordance with item (i) of this paragraph.

7 (4) Notwithstanding any other provision of this subsection, for fiscal
8 year 2010 only, the surcharges collected under this subsection shall be credited as
9 follows:

10 (i) 25% to the Volunteer Company Assistance Fund to be used
11 in accordance with the provisions of Title 8, Subtitle 2 of the Public Safety Article; and

12 (ii) 75% to the General Fund] **AS PROVIDED IN THIS**
13 **PARAGRAPH.**

14 (II) **AN AMOUNT ANNUALLY AS SET FORTH IN THE STATE**
15 **BUDGET SHALL BE DISTRIBUTED FOR THE CHARLES W. RILEY FIRE AND**
16 **EMERGENCY MEDICAL SERVICES TUITION REIMBURSEMENT PROGRAM AS**
17 **ESTABLISHED IN § 18-603 OF THE EDUCATION ARTICLE.**

18 (III) **AFTER THE DISTRIBUTION UNDER SUBPARAGRAPH (II)**
19 **OF THIS PARAGRAPH:**

20 ~~1. SUBJECT, SUBJECT TO SUBPARAGRAPH (IV) OF~~
21 ~~THIS PARAGRAPH, 50% 100% OF THE REMAINDER SHALL BE CREDITED TO THE~~
22 ~~VOLUNTEER COMPANY ASSISTANCE FUND TO BE USED IN ACCORDANCE WITH~~
23 ~~THE PROVISIONS OF TITLE 8, SUBTITLE 2 OF THE PUBLIC SAFETY ARTICLE;~~
24 ~~AND~~

25 ~~2. 50% SHALL BE CREDITED TO THE GENERAL~~
26 ~~FUND.~~

27 (IV) **AFTER A TOTAL OF \$20,000,000 IS CREDITED TO THE**
28 **VOLUNTEER COMPANY ASSISTANCE FUND UNDER SUBPARAGRAPH (II) (III)**
29 **OF THIS PARAGRAPH, 100% OF THE REMAINDER AFTER THE DISTRIBUTION**
30 **UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL BE DISTRIBUTED TO**
31 **THE GENERAL FUND.**

32 13-604.

1 (a) (13) “Target per pupil foundation amount” means:

2 (i) In fiscal years 2008, 2009, and 2010, \$6,694;

3 (ii) Except as provided in [item (iii)] **ITEMS (III) AND (IV)** of
4 this paragraph, in subsequent fiscal years:

5 1. The target per pupil foundation amount for the prior
6 fiscal year increased by the same percentage as the lesser of:

7 A. The increase in the implicit price deflator for State
8 and local government expenditures for the second prior fiscal year;

9 B. The Consumer Price Index for all urban consumers for
10 the Washington–Baltimore metropolitan area, or any successor index, for the second
11 prior fiscal year; or

12 C. 5%; or

13 2. If there is no increase in the implicit price deflator for
14 State and local government expenditures for the second prior fiscal year or in the
15 Consumer Price Index for all urban consumers for the Washington–Baltimore
16 metropolitan area, or any successor index, for the second prior fiscal year, the target
17 per pupil foundation amount for the prior fiscal year;

18 **(III) IN FISCAL YEAR 2012, ~~\$6,599~~ \$6,694; and**

19 **[(iii)] (IV) In each of fiscal years [2012] 2013 through 2015:**

20 1. The target per pupil foundation amount for the prior
21 fiscal year increased by the same percentage as the lesser of:

22 A. The increase in the implicit price deflator for State
23 and local government expenditures for the second prior fiscal year;

24 B. The Consumer Price Index for all urban consumers for
25 the Washington–Baltimore metropolitan area, or any successor index, for the second
26 prior fiscal year; or

27 C. 1%; or

28 2. If there is no increase in the implicit price deflator for
29 State and local government expenditures for the second prior fiscal year or in the
30 Consumer Price Index for all urban consumers for the Washington–Baltimore
31 metropolitan area, or any successor index, for the second prior fiscal year, the target
32 per pupil foundation amount for the prior fiscal year.

1 5-206.

2 (f) (1) In fiscal year 2006 and in each fiscal year thereafter, the State
3 shall distribute grants **FROM AN APPROPRIATION IN THE STATE BUDGET OR**
4 **GENERAL OBLIGATION BONDS** to county boards under the Aging Schools Program
5 administered by the Interagency Committee on School Construction in amounts equal
6 to the funding level calculated under paragraph (2) of this subsection.

7 **8-507.**

8 (A) IN THIS SECTION, "BASIC COST" MEANS THE AVERAGE AMOUNT
9 SPENT BY A COUNTY FROM COUNTY AND STATE ~~DOLLARS~~ FUNDS FOR THE
10 PUBLIC EDUCATION OF A NONDISABLED CHILD.

11 (B) A COUNTY SHALL REIMBURSE THE DEPARTMENT OF JUVENILE
12 SERVICES OR THE DEPARTMENT OF HUMAN RESOURCES THE AMOUNT OF THE
13 BASIC COST CALCULATED UNDER SUBSECTION (A) OF THIS SECTION FOR EACH
14 CHILD WHO WAS DOMICILED IN THE COUNTY PRIOR TO THE PLACEMENT IF:

15 (1) THE DEPARTMENT OF JUVENILE SERVICES OR THE
16 DEPARTMENT OF HUMAN RESOURCES PLACES A CHILD WHO IS IN
17 STATE-SUPERVISED CARE IN A NONPUBLIC RESIDENTIAL PLACEMENT THAT
18 ALSO PROVIDES THE EDUCATION PROGRAM FOR THE CHILD; AND

19 (2) THE CHILD DOES NOT MEET THE CRITERIA FOR SHARED
20 STATE AND LOCAL PAYMENT OF EDUCATIONAL COSTS AS PROVIDED IN §§ 8-406
21 AND 8-415 OF THIS TITLE.

22 11-105.

23 (o) (1) The Commission may require an application fee from an institution
24 of postsecondary education seeking [certification]:

25 (I) CERTIFICATION to operate in the State; OR

26 (II) ~~APPROVAL~~ EXCEPT FOR ACTIONS RELATING TO
27 PROGRAMS OFFERED AT A REGIONAL HIGHER EDUCATION CENTER, APPROVAL
28 OF ANY ACADEMIC PROGRAM ACTION TAKEN UNDER SUBTITLE 2 OF THIS TITLE.

29 (2) (I) THE REVENUES FROM APPLICATION FEES SHALL BE
30 DISTRIBUTED TO A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO §
31 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

1 **(II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH,**
2 **THE SPECIAL FUND MAY BE USED ONLY TO CARRY OUT THE PROVISIONS OF**
3 **SUBTITLE 2 OF THIS TITLE.**

4 **(III) AT THE END OF EACH FISCAL YEAR, ANY AMOUNT IN**
5 **EXCESS OF \$100,000 SHALL REVERT TO THE GENERAL FUND.**

6 **(IV) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE**
7 **CREDITED TO THE GENERAL FUND.**

8 **(3)** Subject to the provisions of § 11-203 of this title, the Commission
9 may require bonds or other financial guaranties from institutions of postsecondary
10 education seeking certification or recertification to operate in the State.

11 16-305.

12 **(c) (1) (i)** The total State operating fund per full-time equivalent
13 student to the community colleges for each fiscal year as requested by the Governor
14 shall be:

15 **1.** In fiscal year 2009, not less than an amount equal to
16 26.25% of the State's General Fund appropriation per full-time equivalent student to
17 the 4-year public institutions of higher education in the State as designated by the
18 Commission for the purpose of administering the Joseph A. Sellinger Program under
19 Title 17 of this article in the previous fiscal year;

20 **2.** In fiscal year 2010, not less than an amount equal to
21 23.6% of the State's General Fund appropriation per full-time equivalent student to
22 the 4-year public institutions of higher education in the State as designated by the
23 Commission for the purpose of administering the Joseph A. Sellinger Program under
24 Title 17 of this article in the same fiscal year;

25 **3.** In fiscal year 2011, not less than an amount equal to
26 21.8% of the State's General Fund appropriation per full-time equivalent student to
27 the 4-year public institutions of higher education in the State as designated by the
28 Commission for the purpose of administering the Joseph A. Sellinger Program under
29 Title 17 of this article in the same fiscal year;

30 **4.** In fiscal year 2012, not less than an amount equal to
31 20% of the State's General Fund appropriation per full-time equivalent student to the
32 4-year public institutions of higher education in the State as designated by the
33 Commission for the purpose of administering the Joseph A. Sellinger Program under
34 Title 17 of this article in the same fiscal year;

35 **5.** In fiscal year 2013, not less than an amount equal to
36 [21%] 18.5% of the State's General Fund appropriation per full-time equivalent

1 student to the 4-year public institutions of higher education in the State as designated
2 by the Commission for the purpose of administering the Joseph A. Sellinger Program
3 under Title 17 of this article in the same fiscal year;

4 6. In fiscal year 2014, not less than an amount equal to
5 [22%] **18.5%** of the State's General Fund appropriation per full-time equivalent
6 student to the 4-year public institutions of higher education in the State as designated
7 by the Commission for the purpose of administering the Joseph A. Sellinger Program
8 under Title 17 of this article in the same fiscal year;

9 7. In fiscal year 2015, not less than an amount equal to
10 [23%] **19.5%** of the State's General Fund appropriation per full-time equivalent
11 student to the 4-year public institutions of higher education in the State as designated
12 by the Commission for the purpose of administering the Joseph A. Sellinger Program
13 under Title 17 of this article in the same fiscal year;

14 8. In fiscal year 2016, not less than an amount equal to
15 [24%] **20.5%** of the State's General Fund appropriation per full-time equivalent
16 student to the 4-year public institutions of higher education in the State as designated
17 by the Commission for the purpose of administering the Joseph A. Sellinger Program
18 under Title 17 of this article in the same fiscal year;

19 9. In fiscal year 2017, not less than an amount equal to
20 [25%] **21.5%** of the State's General Fund appropriation per full-time equivalent
21 student to the 4-year public institutions of higher education in the State as designated
22 by the Commission for the purpose of administering the Joseph A. Sellinger Program
23 under Title 17 of this article in the same fiscal year;

24 10. In fiscal year 2018, not less than an amount equal to
25 [26%] **22.5%** of the State's General Fund appropriation per full-time equivalent
26 student to the 4-year public institutions of higher education in the State as designated
27 by the Commission for the purpose of administering the Joseph A. Sellinger Program
28 under Title 17 of this article in the same fiscal year;

29 11. In fiscal year 2019, not less than an amount equal to
30 [27%] **23.5%** of the State's General Fund appropriation per full-time equivalent
31 student to the 4-year public institutions of higher education in the State as designated
32 by the Commission for the purpose of administering the Joseph A. Sellinger Program
33 under Title 17 of this article in the same fiscal year;

34 12. In fiscal year 2020, not less than an amount equal to
35 [28%] **25%** of the State's General Fund appropriation per full-time equivalent student
36 to the 4-year public institutions of higher education in the State as designated by the
37 Commission for the purpose of administering the Joseph A. Sellinger Program under
38 Title 17 of this article in the same fiscal year; [and]

1 13. IN FISCAL YEAR 2021, NOT LESS THAN AN
 2 AMOUNT EQUAL TO 26.5% OF THE STATE'S GENERAL FUND APPROPRIATION
 3 PER FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS
 4 OF HIGHER EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION
 5 FOR THE PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM
 6 UNDER TITLE 17 OF THIS ARTICLE IN THE SAME FISCAL YEAR;

7 14. IN FISCAL YEAR 2022, NOT LESS THAN AN
 8 AMOUNT EQUAL TO 28% OF THE STATE'S GENERAL FUND APPROPRIATION PER
 9 FULL-TIME EQUIVALENT STUDENT TO THE 4-YEAR PUBLIC INSTITUTIONS OF
 10 HIGHER EDUCATION IN THE STATE AS DESIGNATED BY THE COMMISSION FOR
 11 THE PURPOSE OF ADMINISTERING THE JOSEPH A. SELLINGER PROGRAM
 12 UNDER TITLE 17 OF THIS ARTICLE IN THE SAME FISCAL YEAR; AND

13 [13.] 15. In fiscal year [2021] 2023 and each fiscal year
 14 thereafter, not less than an amount equal to 29% of the State's General Fund
 15 appropriation per full-time equivalent student to the 4-year public institutions of
 16 higher education in the State as designated by the Commission for the purpose of
 17 administering the Joseph A. Sellinger Program under Title 17 of this article in the
 18 same fiscal year.

19 ~~16-310.~~ 16-310.

20 (d) (1) Notwithstanding subsection (b) of this section, if any student is a
 21 resident of this State and enrolls in an instructional program that the Commission
 22 designates as a health manpower shortage program or a statewide or regional
 23 program, the student shall pay only the student tuition and fees payable by a resident
 24 of a county that supports the community college and the Commission shall pay any
 25 applicable out-of-county fee. For any fiscal year **BEGINNING ON OR AFTER JULY 1,**
 26 **2011,** if State appropriations to the Commission for payment of any applicable
 27 out-of-county fee under this paragraph do not provide sufficient funds to fully
 28 reimburse applicable out-of-county fees, [the Governor shall include in the budget bill
 29 for the next fiscal year a deficiency appropriation to provide the additional funds to
 30 fully reimburse the out-of-county fees] **THE COMMISSION SHALL PRORATE THE**
 31 **REIMBURSEMENT FOR THE OUT-OF-COUNTY FEES.**

32 17-104.

33 (a) (1) Except as provided in paragraph (2) of this subsection, the
 34 Maryland Higher Education Commission shall compute the amount of the annual
 35 apportionment for each institution that qualifies under this subtitle by multiplying the
 36 number of full-time equivalent students enrolled at the institution during the fall
 37 semester of the fiscal year preceding the fiscal year for which the aid apportionment is
 38 made, as determined by the Maryland Higher Education Commission by:

1 (i) In fiscal year 2009, an amount not less than 16% of the
2 State's General Fund per full-time equivalent student appropriation to the 4-year
3 public institutions of higher education in this State for the preceding fiscal year;

4 (ii) In fiscal year 2010, an amount not less than 12.85% of the
5 State's General Fund per full-time equivalent student appropriation to the 4-year
6 public institutions of higher education in the State for the same fiscal year;

7 (iii) In fiscal year 2011, an amount not less than 9.8% of the
8 State's General Fund per full-time equivalent student appropriation to the 4-year
9 public institutions of higher education in this State for the same fiscal year;

10 (iv) In fiscal year 2012, an amount not less than 9.2% of the
11 State's General Fund per full-time equivalent student appropriation to the 4-year
12 public institutions of higher education in this State for the same fiscal year;

13 (v) In fiscal year 2013, an amount not less than [10%] **9.5%** of
14 the State's General Fund per full-time equivalent student appropriation to the 4-year
15 public institutions of higher education in this State for the same fiscal year;

16 (vi) In fiscal year 2014, an amount not less than [10.5%] **10%** of
17 the State's General Fund per full-time equivalent student appropriation to the 4-year
18 public institutions of higher education in this State for the same fiscal year;

19 (vii) In fiscal year 2015, an amount not less than [11%] **10.5%** of
20 the State's General Fund per full-time equivalent student appropriation to the 4-year
21 public institutions of higher education in this State for the same fiscal year;

22 (viii) In fiscal year 2016, an amount not less than [11.5%] **11%** of
23 the State's General Fund per full-time equivalent student appropriation to the 4-year
24 public institutions of higher education in this State for the same fiscal year;

25 (ix) In fiscal year 2017, an amount not less than 12% of the
26 State's General Fund per full-time equivalent student appropriation to the 4-year
27 public institutions of higher education in this State for the same fiscal year;

28 (x) In fiscal year 2018, an amount not less than 13% of the
29 State's General Fund per full-time equivalent student appropriation to the 4-year
30 public institutions of higher education in this State for the same fiscal year;

31 (xi) In fiscal year 2019, an amount not less than 14% of the
32 State's General Fund per full-time equivalent student appropriation to the 4-year
33 public institutions of higher education in this State for the same fiscal year;

34 (xii) In fiscal year 2020, an amount not less than 15% of the
35 State's General Fund per full-time equivalent student appropriation to the 4-year
36 public institutions of higher education in this State for the same fiscal year; and

1 (xiii) In fiscal year 2021 and each fiscal year thereafter, an
2 amount not less than 15.5% of the State's General Fund per full-time equivalent
3 student appropriation to the 4-year public institutions of higher education in this
4 State for the same fiscal year.

5 18-107.

6 (a) (1) Each year, money for each student financial assistance program
7 administered by the Office shall be included in the State budget.

8 (2) Each year, the Governor shall include in the State budget at least
9 80 percent of the funds appropriated in the prior fiscal year for need-based programs
10 as provided in §§ 18-301, 18-706(f), 18-1401, 18-1501, and 18-2601 of this title.

11 (b) [(1)] Except as otherwise provided in this title, money appropriated
12 under this title that is not used by the end of the fiscal year [may not revert to the
13 State Treasury] SHALL BE DEPOSITED IN THE NEED-BASED STUDENT
14 FINANCIAL ASSISTANCE FUND.

15 (2) All money retained under paragraph (1) of this subsection shall be
16 used to make awards to students during subsequent fiscal years as provided in §§
17 18-301, 18-601, 18-604, 18-706(f), 18-1401, 18-14A-01, 18-1501, and 18-2601 of
18 this title and may not be used for administrative expenses.]

19 (c) (1) IN THIS SUBSECTION, "FUND" MEANS THE NEED-BASED
20 STUDENT FINANCIAL ASSISTANCE FUND.

21 (2) THERE IS A NEED-BASED STUDENT FINANCIAL ASSISTANCE
22 FUND.

23 (3) THE PURPOSE OF THE FUND IS TO ALLOW MONEY
24 APPROPRIATED FOR STUDENT FINANCIAL ASSISTANCE PROGRAMS THAT IS NOT
25 USED IN A FISCAL YEAR TO BE RETAINED FOR NEED-BASED AWARDS IN FUTURE
26 FISCAL YEARS.

27 (4) THE COMMISSION SHALL ADMINISTER THE FUND.

28 (5) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS
29 NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT
30 ARTICLE.

31 (ii) THE STATE TREASURER SHALL HOLD THE FUND AND
32 THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

1 **(6) THE FUND CONSISTS OF:**

2 **(I) MONEY DISTRIBUTED TO THE FUND UNDER**
3 **SUBSECTION (B) OF THIS SECTION; AND**

4 **(II) ANY OTHER MONEY FROM ANY OTHER SOURCE**
5 **ACCEPTED FOR THE BENEFIT OF THE FUND.**

6 **(7) (I) THE FUND MAY BE USED ONLY FOR MAKING**
7 **NEED-BASED FINANCIAL ASSISTANCE AWARDS TO STUDENTS AS PROVIDED IN §§**
8 **18-301, 18-601, 18-604, 18-706(F), 18-1401, 18-14A-01, 18-1501, AND**
9 **18-2601 OF THIS TITLE.**

10 **(II) THE FUND MAY NOT BE USED FOR ADMINISTRATIVE**
11 **EXPENSES.**

12 **(8) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF**
13 **THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

14 **(II) ANY INVESTMENT EARNINGS ON THE FUNDS IN THE**
15 **ACCOUNT SHALL BE PAID INTO THE GENERAL FUND OF THE STATE.**

16 **(9) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN**
17 **ACCORDANCE WITH THE STATE BUDGET.**

18 **18-1107.**

19 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE COMMISSION
20 MAY NOT AWARD ANY NEW SCHOLARSHIPS UNDER THIS SUBTITLE FOR THE
21 **2011-2012 ACADEMIC YEAR OR FOR ANY SUBSEQUENT ACADEMIC YEAR.**

22 **22-306.1.**

23 **(A) IN THIS SECTION, "BASIC COST" MEANS THE AVERAGE AMOUNT**
24 **SPENT BY A COUNTY FROM COUNTY AND STATE FUNDS FOR THE PUBLIC**
25 **EDUCATION OF A NONDISABLED CHILD.**

26 **(B) A COUNTY SHALL REIMBURSE THE DEPARTMENT OF JUVENILE**
27 **SERVICES THE AMOUNT OF THE BASIC COST CALCULATED UNDER SUBSECTION**
28 **(A) OF THIS SECTION FOR EACH CHILD WHO WAS DOMICILED IN THE COUNTY**
29 **PRIOR TO THE PLACEMENT IF THE CHILD:**

30 **(1) IS COMMITTED TO THE DEPARTMENT OF JUVENILE SERVICES**
31 **AND IS IN A PROGRAM AT A FACILITY OR A RESIDENTIAL FACILITY;**

1 (2) IS NOT IN DETENTION OR AWAITING PLACEMENT AFTER
2 DISPOSITION; AND

3 (3) DOES NOT MEET THE CRITERIA FOR SHARED STATE AND
4 LOCAL PAYMENT OF EDUCATIONAL COSTS AS PROVIDED IN §§ 8-406 AND 8-415
5 OF THIS ARTICLE.

6 23-205.

7 (c) (1) Each year each participating regional resource center shall receive
8 a minimum amount of funding for each resident of the area served, to be used for
9 operating and capital expenses.

10 (2) The allocation shall be calculated as follows:

11 (i) [For fiscal year 2009.....\$6.50 per each resident of the
12 area served;

13 (ii) For fiscal year 2010.....\$6.75 per each resident of the
14 area served;

15 (iii) For EACH OF fiscal [year] YEARS 2011 THROUGH
16 2016.....\$6.75 per each resident of the area served; [and]

17 (II) FOR FISCAL YEAR 2017.....\$7.00 PER EACH
18 RESIDENT OF THE AREA SERVED;

19 (III) FOR FISCAL YEAR 2018.....\$7.25 PER EACH
20 RESIDENT OF THE AREA SERVED; AND

21 (iv) For fiscal year [2012] 2019 and each fiscal year
22 thereafter.....\$7.50 per each resident of the area served.

23 (d) (1) Each year the State Library Resource Center shall receive a
24 minimum amount of funding for each State resident in the previous fiscal year, to be
25 used for operating and capital expenses.

26 (2) The allocation shall be calculated as follows:

27 (i) [For fiscal year 2009.....\$1.85 per State resident;

28 (ii) For each of fiscal years 2010 [and 2011] THROUGH
29 2016.....\$1.67 per State resident; [and]

1 **(II) FOR FISCAL YEAR 2017.....\$1.73 PER STATE**
 2 **RESIDENT;**

3 **(III) FOR FISCAL YEAR 2018.....\$1.79 PER STATE**
 4 **RESIDENT; AND**

5 **[(iii)] (IV) For fiscal year [2012] 2019 and each fiscal year**
 6 **thereafter.....\$1.85 per State resident.**

7 23-503.

8 (b) (1) Each county public library system that participates in the
 9 minimum library program shall be provided for each resident of the county, to be used
 10 for operating and capital expenses:

11 (i) **[For fiscal year 2009 – \$14.00;**

12 (ii) **For fiscal year 2010 – \$14.00;**

13 **[(iii)] For EACH OF fiscal [year] YEARS 2011 THROUGH 2016 –**
 14 **\$14.00; [and]**

15 **(II) FOR FISCAL YEAR 2017 – \$14.30;**

16 **(III) FOR FISCAL YEAR 2018 – \$14.60; AND**

17 (iv) **For fiscal year [2012] 2019 and each fiscal year thereafter –**
 18 **\$15.00.**

19 **Article – Financial Institutions**

20 13-1114.

21 (g) (3) (i) Up to 10% of Program Open Space funds transferred to the
 22 Authority may be used to pay the operating expenses of the Authority.

23 (ii) Up to 50% of Program Open Space funds transferred to the
 24 Authority may be expended for debt service on bonds issued by the Authority.

25 **(III) FOR FISCAL YEAR 2012 ONLY, AN ADDITIONAL ~~\$500,000~~**
 26 **\$140,000 OF PROGRAM OPEN SPACE FUNDS TRANSFERRED TO THE AUTHORITY**
 27 **MAY BE USED TO PAY OPERATING EXPENSES IN THE DEPARTMENT OF**
 28 **PLANNING.**

1 ~~SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 14-401(b), (d),~~
2 ~~and (e), 14-402(b), (c), and (d), and 14-403 through 14-410 of Article – Health –~~
3 ~~General of the Annotated Code of Maryland be repealed.~~

4 ~~SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland~~
5 ~~read as follows:~~

6 **Article – Health – General**

7 4-217.

8 (c) (1) Except as otherwise provided by law[, the]:

9 (I) THE Department shall collect a \$12 fee:

10 [(i)] 1. For each certified or abridged copy of a [birth,] death,
11 fetal death, marriage, or divorce verification certificate;

12 [(ii)] 2. For a report that a search of the DEATH, FETAL
13 DEATH, MARRIAGE, OR DIVORCE VERIFICATION CERTIFICATE files was made and
14 the requested record is not on file;

15 [(iii)] 3. For each change to a DEATH, FETAL DEATH,
16 MARRIAGE, OR DIVORCE VERIFICATION certificate made later than one year after
17 the certificate has been registered with the Department; or

18 [(iv)] 4. To process an adoption, foreign adoption, or
19 legitimation; AND

20 (II) THE DEPARTMENT SHALL COLLECT A \$24 FEE:

21 1. FOR EACH CERTIFIED OR ABRIDGED COPY OF A
22 BIRTH CERTIFICATE;

23 2. FOR A REPORT THAT A SEARCH OF THE BIRTH
24 CERTIFICATE FILES WAS MADE AND THE REQUESTED RECORD IS NOT ON FILE;
25 OR

26 3. FOR EACH CHANGE TO A BIRTH CERTIFICATE
27 MADE LATER THAN 1 YEAR AFTER THE CERTIFICATE HAS BEEN REGISTERED
28 WITH THE DEPARTMENT.

29 (3) (i) Any local health department may set and collect a fee for
30 processing and issuing a birth certificate, or for a report that a search of the files was
31 made and the requested record is not on file, that covers:

1 1. The administrative costs of providing this service; and

2 2. The requirements of subparagraph (iii) of this
3 paragraph.

4 (ii) The fee set by the local health department for processing
5 and issuing a birth certificate or for a report under subparagraph (i) of this paragraph
6 may not exceed the actual costs to the local health department for processing and
7 issuing a birth certificate or a report.

8 (iii) From the fee the local health department collects under
9 subparagraph (i) of this paragraph, [\$10] \$20 shall be transferred to the General
10 Fund.

11 (iv) Prior to setting and collecting a fee for processing and
12 issuing a birth certificate or for a report under subparagraph (i) of this paragraph, the
13 local health department shall enter into a memorandum of understanding with the
14 Department of Health and Mental Hygiene that outlines the local health department's
15 fee structure.

16 ~~7-306.1.~~

17 (d) ~~(1) Subject to the provisions of subsections (c), (f), and (g) of this~~
18 ~~section, the Administration shall provide payment to private providers for the services~~
19 ~~provided from the funds designated in subsection (c) of this section in accordance with~~
20 ~~the following payment schedule:~~

21 ~~[(1)] (1) On or before the third business day of the fiscal quarter~~
22 ~~beginning July 1, [33%] 17% of the total annual amount to be paid to the provider;~~

23 ~~[(2)] On or before the third business day of the fiscal quarter beginning~~
24 ~~October 1, 25% of the total annual amount to be paid to the provider;~~

25 ~~(3) On or before the third business day of the fiscal quarter beginning~~
26 ~~January 1, 25% of the total annual amount to be paid to the provider; and~~

27 ~~(4) On or before the third business day of the fiscal quarter beginning~~
28 ~~April 1, 17% of the total annual amount to be paid to the provider]AND~~

29 ~~(H) THEREAFTER, MONTHLY FOR SERVICES THAT HAVE~~
30 ~~BEEN PROVIDED DURING THE PREVIOUS MONTH, IN AN AMOUNT AS~~
31 ~~DETERMINED BY THE ADMINISTRATION.~~

~~(2) TOTAL PAYMENTS UNDER PARAGRAPH (1)(I) AND (H) OF THIS SUBSECTION MAY NOT EXCEED THE TOTAL AMOUNT TO BE PAID TO THE PROVIDER.~~

~~14-401.~~

~~(B) "ACCREDITATION ORGANIZATION" MEANS A PRIVATE ENTITY THAT CONDUCTS INSPECTIONS AND SURVEYS OF YOUTH CAMPS BASED ON NATIONALLY RECOGNIZED AND DEVELOPED STANDARDS.~~

~~14-402.~~

~~(a) This subtitle and the regulations issued under this subtitle do not apply to:~~

~~(1) Purely social activities of a family or the guests of a family;~~

~~(2) [Subject to subsection (b) of this section, programs] PROGRAMS or activities directed or operated by a board of recreation, recreation department, or similar public unit of a county, a municipal corporation, as defined by Article 23A of the Code, or the Maryland National Capital Park and Planning Commission, that involve use of neighborhood facilities, including:~~

~~(i) Schools;~~

~~(ii) Playgrounds;~~

~~(iii) Parks; or~~

~~(iv) Recreation centers;~~

~~(3) [Subject to subsection (e) of this section, programs] PROGRAMS or activities directed or operated by an agency of the State that involve occasional use of public facilities including:~~

~~(i) Schools;~~

~~(ii) Playgrounds;~~

~~(iii) Parks; or~~

~~(iv) Recreation centers; or~~

~~(4) Youth overnight programs sponsored by religious or community organizations operating or conducted for not more than 5 consecutive days during any 1 calendar year, such as a vacation bible school, youth bike trip, and similar activities.~~

1 ~~(B) EACH LOCAL GOVERNMENT SHALL ADOPT HEALTH AND SAFETY~~
2 ~~STANDARDS PERTAINING TO THE OPERATION OF YOUTH CAMPS.~~

3 ~~14-403.~~

4 ~~THE SECRETARY MAY ADOPT REGULATIONS TO IMPLEMENT THE~~
5 ~~REQUIREMENTS OF THIS SUBTITLE.~~

6 ~~14-404.~~

7 ~~(A) EACH YOUTH CAMP OPERATED IN THIS STATE SHALL BE~~
8 ~~ACCREDITED BY AN ACCREDITATION ORGANIZATION.~~

9 ~~(B) THE SECRETARY SHALL MAINTAIN A LIST OF ACCREDITED YOUTH~~
10 ~~CAMPS.~~

11 ~~14-405.~~

12 ~~(A) AN ACCREDITATION ORGANIZATION SHALL APPLY TO THE~~
13 ~~SECRETARY FOR APPROVAL.~~

14 ~~(B) PRIOR TO APPROVAL OF AN ACCREDITATION ORGANIZATION, THE~~
15 ~~SECRETARY SHALL:~~

16 ~~(1) DETERMINE THAT THE STANDARDS OF THE ACCREDITATION~~
17 ~~ORGANIZATION ARE EQUAL TO OR MORE STRINGENT THAN EXISTING STATE~~
18 ~~REQUIREMENTS;~~

19 ~~(2) EVALUATE THE SURVEY OR INSPECTION PROCESS OF THE~~
20 ~~ACCREDITATION ORGANIZATION TO ENSURE THE INTEGRITY OF THE SURVEY OR~~
21 ~~INSPECTION PROCESS; AND~~

22 ~~(3) ENTER INTO A FORMAL WRITTEN AGREEMENT WITH THE~~
23 ~~ACCREDITATION ORGANIZATION THAT INCLUDES REQUIREMENTS FOR:~~

24 ~~(I) NOTICE OF ALL SURVEYS AND INSPECTIONS;~~

25 ~~(II) SHARING OF COMPLAINTS AND OTHER RELEVANT~~
26 ~~INFORMATION;~~

27 ~~(III) PARTICIPATION OF THE DEPARTMENT IN~~
28 ~~ACCREDITATION ORGANIZATION ACTIVITIES; AND~~

1 ~~(IV) ANY OTHER PROVISION NECESSARY TO ENSURE THE~~
2 ~~INTEGRITY OF THE ACCREDITATION PROCESS.~~

3 ~~(C) (1) WHEN AN APPROVED ACCREDITATION ORGANIZATION HAS~~
4 ~~ISSUED A FINAL REPORT FINDING A YOUTH CAMP TO BE IN SUBSTANTIAL~~
5 ~~COMPLIANCE WITH THE ACCREDITATION ORGANIZATION'S STANDARDS, THE~~
6 ~~SECRETARY SHALL ADD THE YOUTH CAMP TO THE LIST OF ACCREDITED YOUTH~~
7 ~~CAMPS.~~

8 ~~(2) A YOUTH CAMP THAT FAILS TO ACHIEVE SUBSTANTIAL~~
9 ~~COMPLIANCE WITH THE STANDARDS OF AN APPROVED ACCREDITATION~~
10 ~~ORGANIZATION MAY NOT OPERATE IN THIS STATE.~~

11 ~~(D) (1) AN APPROVED ACCREDITATION ORGANIZATION SHALL SEND~~
12 ~~THE DEPARTMENT ANY PRELIMINARY AND FINAL REPORT OF EACH INSPECTION~~
13 ~~AND SURVEY AT THE TIME IT IS SENT TO THE YOUTH CAMP.~~

14 ~~(2) A FINAL REPORT OF AN APPROVED ACCREDITATION~~
15 ~~ORGANIZATION SHALL BE MADE IMMEDIATELY AVAILABLE TO THE PUBLIC ON~~
16 ~~REQUEST.~~

17 ~~(3) A PRELIMINARY OR FINAL REPORT OF AN APPROVED~~
18 ~~ACCREDITATION ORGANIZATION IS NOT ADMISSIBLE IN EVIDENCE IN ANY CIVIL~~
19 ~~ACTION OR PROCEEDING.~~

20 ~~(E) THE DEPARTMENT MAY PARTICIPATE IN OR OBSERVE A SURVEY OR~~
21 ~~INSPECTION OF A YOUTH CAMP CONDUCTED BY AN APPROVED ACCREDITATION~~
22 ~~ORGANIZATION.~~

23 ~~(F) ON A DETERMINATION BY THE SECRETARY THAT AN APPROVED~~
24 ~~ACCREDITATION ORGANIZATION HAS FAILED TO MEET ITS OBLIGATIONS UNDER~~
25 ~~THIS SECTION, THE SECRETARY MAY WITHDRAW THE APPROVAL FROM THE~~
26 ~~ACCREDITATION ORGANIZATION.~~

27 ~~[14 411.] 14 406.~~

28 ~~This subtitle may be cited as the "Maryland Youth Camp Act".~~

29 15-702.

30 (A) THE DEPARTMENT SHALL ENSURE THAT PUBLICLY OWNED
31 SPECIALTY HOSPITALS PAY AN ASSESSMENT THAT IS COMPARABLE TO ANY
32 UNIFORM ASSESSMENTS IMPOSED BY THE HEALTH SERVICES COST REVIEW
33 COMMISSION ON SPECIALTY HOSPITALS UNDER § 19-214(D) OF THIS ARTICLE

1 OR UNDER SECTION 16 OF CHAPTER ____ (H.B. 72) OF THE ACTS OF THE
 2 GENERAL ASSEMBLY OF 2011.

3 (B) REVENUES GENERATED FROM ANY ASSESSMENTS AUTHORIZED
 4 UNDER SUBSECTION (A) OF THIS SECTION SHALL BE USED FOR THE GENERAL
 5 OPERATIONS OF THE MEDICAID PROGRAM.

6 19-214.

7 ~~(b) The Commission may adopt regulations establishing alternative methods~~
 8 ~~for financing the reasonable total costs of hospital uncompensated care AND~~
 9 ~~HOSPITAL GRADUATE MEDICAL EDUCATION provided that the alternative methods:~~

10 ~~(1) Are in the public interest;~~

11 ~~(2) Will equitably distribute the reasonable costs of uncompensated~~
 12 ~~care AND GRADUATE MEDICAL EDUCATION;~~

13 ~~(3) Will fairly determine the cost of reasonable uncompensated care~~
 14 ~~AND GRADUATE MEDICAL EDUCATION included in hospital rates;~~

15 ~~(4) Will continue incentives for hospitals to adopt fair, efficient, and~~
 16 ~~effective credit and collection policies; and~~

17 ~~(5) Will not result in significantly increasing costs to Medicare or the~~
 18 ~~loss of Maryland's Medicare Waiver under § 1814(b) of the Social Security Act.~~

19 ~~(c) Any funds generated through hospital rates under an alternative method~~
 20 ~~adopted by the Commission in accordance with subsection (b) of this section may only~~
 21 ~~be used to finance the delivery of hospital uncompensated care AND HOSPITAL~~
 22 ~~GRADUATE MEDICAL EDUCATION.~~

23 ~~(d) (1) Each year, the Commission shall assess a uniform, broad-based,~~
 24 ~~and reasonable amount in hospital rates to:~~

25 ~~(i) Reflect the aggregate reduction in hospital uncompensated~~
 26 ~~care realized from the expansion of health care coverage under Chapter 7 of the Acts of~~
 27 ~~the 2007 Special Session of the General Assembly; [and]~~

28 ~~(H) SUPPORT THE GENERAL OPERATIONS OF THE~~
 29 ~~MEDICAID PROGRAM; AND~~

30 ~~[(ii)] (III) Operate and administer the Maryland Health~~
 31 ~~Insurance Plan established under Title 14, Subtitle 5 of the Insurance Article.~~

1 ~~(2) (i) For the portion of the assessment under paragraph (1)(i) of~~
2 ~~this subsection:~~

3 ~~1. The Commission shall ensure that the assessment~~
4 ~~amount does not exceed the GREATER OF:~~

5 ~~A. THE TOTAL savings realized in averted hospital~~
6 ~~uncompensated care from the health care coverage expansion; OR~~

7 ~~B. 1.5% OF HOSPITAL NET PATIENT REVENUE; [and]~~

8 ~~2. EXCEPT AS PROVIDED IN SUBPARAGRAPH (H) OF~~
9 ~~THIS PARAGRAPH, THE COMMISSION SHALL REQUIRE THAT ASSESSMENTS ARE~~
10 ~~PAID BY ALL ACUTE CARE AND SPECIALTY HOSPITALS LICENSED BY THE~~
11 ~~DEPARTMENT, INCLUDING PUBLICLY OPERATED HOSPITALS; AND~~

12 ~~3. Each hospital shall remit its assessment amount to~~
13 ~~the Health Care Coverage Fund established under § 15-701 of this article.~~

14 ~~(H) EXCEPT AS PROHIBITED BY FEDERAL LAW OR~~
15 ~~REGULATION, THE COMMISSION MAY EXEMPT SPECIALTY HOSPITALS NOT~~
16 ~~SUBJECT TO RATE REGULATION BY THE COMMISSION FROM THE PORTION OF~~
17 ~~THE ASSESSMENT UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION.~~

18 ~~{(i)} (III) Any savings realized in averted uncompensated care~~
19 ~~as a result of the expansion of health care coverage under Chapter 7 of the Acts of the~~
20 ~~2007 Special Session of the General Assembly that are not subject to the assessment~~
21 ~~under paragraph (1)(i) of this subsection shall be shared among purchasers of hospital~~
22 ~~services in a manner that the Commission determines is most equitable.~~

23 ~~(3) (I) FOR THE PORTION OF THE ASSESSMENT UNDER~~
24 ~~PARAGRAPH (1)(II) OF THIS SUBSECTION:~~

25 ~~1. THE COMMISSION SHALL ENSURE THAT THE~~
26 ~~ASSESSMENT AMOUNT EQUALS 2.5% OF NET PATIENT REVENUE AND THAT~~
27 ~~ASSESSMENT COSTS ARE SHARED AMONG HOSPITALS AND PURCHASERS OF~~
28 ~~HOSPITAL SERVICES IN A MANNER THAT THE COMMISSION DETERMINES IS~~
29 ~~MOST EQUITABLE;~~

30 ~~2. EXCEPT AS PROVIDED IN SUBPARAGRAPH (H) OF~~
31 ~~THIS PARAGRAPH, THE COMMISSION SHALL ENSURE THAT ASSESSMENTS ARE~~
32 ~~PAID BY ALL ACUTE CARE AND SPECIALTY HOSPITALS OPERATING IN THE~~
33 ~~STATE, INCLUDING PUBLICLY OPERATED HOSPITALS; AND~~

1 (d) (2) (i) For the portion of the assessment under paragraph (1)(i) of
2 this subsection:

3 1. The Commission shall ensure that the assessment
4 amount [does not exceed the savings realized in averted hospital uncompensated care
5 from the health care coverage expansion] **EQUALS 1.25% OF PROJECTED**
6 **REGULATED NET PATIENT REVENUE**; and

7 2. Each hospital shall remit its assessment amount to
8 the Health Care Coverage Fund established under § 15–701 of this article.

9 (e) On or before January 1 each year, the Commission shall report to the
10 Governor and, in accordance with § 2–1246 of the State Government Article, the
11 General Assembly the following information:

12 (1) The aggregate reduction in hospital uncompensated care realized
13 from the expansion of health care coverage under Chapter 7 of the Acts of the General
14 Assembly of the 2007 Special Session **AND PUBLIC LAW NO. 111–148 (THE**
15 **PATIENT PROTECTION AND AFFORDABLE CARE ACT)**; and

16 (2) The number of individuals who enrolled in Medicaid as a result of
17 the change in eligibility standards under § 15–103(a)(2)(ix) and (x) of this article and
18 the expenses associated with the utilization of hospital inpatient care by these
19 individuals.

20 19–310.1.

21 (b) (1) The Department may impose a quality assessment on each
22 freestanding nursing facility subject to this section.

23 (2) The amount assessed in the aggregate on all nursing facilities may
24 not exceed [~~4%~~] **5.5%** of the operating revenue for all nursing facilities subject to this
25 section for the previous fiscal quarter.

26 (3) The assessment authorized by this section shall be paid by each
27 nursing facility in accordance with this section.

28 21–308.

29 (b) (1) For any license issued for which the authority to conduct a
30 program under this subtitle has been delegated to a county health department:

31 (i) A county governing body or the Mayor and City Council of
32 Baltimore City may and the Anne Arundel County Council shall provide for a license

1 fee schedule based on the anticipated cost of licensing, inspecting, and regulating food
 2 establishments and may provide for exemptions from the license fee schedule; and

3 (ii) All license fees shall be paid to the local health department
 4 or chief financial officer of the county governing body or Baltimore City.

5 (2) Except in Anne Arundel County, Baltimore City, Montgomery
 6 County, and Prince George's County, a license fee under this subsection may not
 7 exceed[:

8 (i) \$300; or

9 (ii) \$70 for a seasonal food processing operation that:

10 [1.] (I) Uses only food that is grown on the property of
 11 the licensee; and

12 [2.] (II) Is in operation for not more than a 3-month
 13 continuous period in the calendar year.

14 (3) A seasonal food processing operation may obtain a food
 15 establishment license for a fee of \$70 under paragraph [(2)(ii)] (2) of this subsection
 16 only twice in a calendar year.

17 Article – Insurance

18 6–101.

19 (a) The following persons are subject to taxation under this subtitle:

20 (1) a person engaged as principal in the business of writing insurance
 21 contracts, surety contracts, guaranty contracts, or annuity contracts;

22 (2) a managed care organization authorized by Title 15, Subtitle 1 of
 23 the Health – General Article;

24 (3) a for-profit health maintenance organization authorized by Title
 25 19, Subtitle 7 of the Health – General Article;

26 (4) an attorney in fact for a reciprocal insurer;

27 (5) the Maryland Automobile Insurance Fund; [and]

28 (6) a credit indemnity company; AND

29 (7) **THE INJURED WORKERS' INSURANCE FUND.**

1 14–106.

2 (d) (1) Notwithstanding subsection (c) of this section, a nonprofit health
3 service plan that is subject to this section and issues comprehensive health care
4 benefits in the State shall:

5 (iv) subsidize the [Maryland Pharmacy Discount Program under
6 § 15–124.1] **KIDNEY DISEASE PROGRAM UNDER TITLE 13, SUBTITLE 3** of the
7 Health – General Article; and

8 (2) (i) **[The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**
9 **THIS PARAGRAPH, THE** support provided under [paragraph (1)(v)1, 3, and 4 of]
10 **PARAGRAPH (1)(IV) AND (V) OF** this subsection to the ~~DEPARTMENT OF HEALTH~~
11 ~~AND MENTAL HYGIENE FOR THE~~ Community Health Resources Commission **AND**
12 **THE KIDNEY DISEASE PROGRAM** shall be [limited to:

13 1. \$2,000,000 in fiscal year 2006; and

14 2. in fiscal year 2007 and annually thereafter,] the value
15 of the premium tax exemption less[:

16 A.] the subsidy required under this subsection for the
17 Senior Prescription Drug Assistance Program[;

18 B. the subsidy required under this subsection for the
19 Maryland Pharmacy Discount Program; and

20 C. the funding required under this subsection for the
21 unified data information system.

22 (ii) The subsidy provided under paragraph (1)(iv) of this
23 subsection for the Maryland Pharmacy Discount Program shall be limited to:

24 1. \$500,000 in fiscal year 2006; and

25 2. \$300,000 in fiscal year 2007 and annually thereafter.

26 (iii) The amount provided under paragraph (1)(v)2 of this
27 subsection to fund a unified data information system shall be limited to:

28 1. \$500,000 in fiscal year 2006; and

29 2. \$1,700,000 in fiscal year 2007 and annually
30 thereafter].

1 (ii) ~~FOR EACH OF FISCAL YEARS 2012 AND 2013, THE~~ **THE**
 2 SUBSIDY PROVIDED UNDER THIS SUBSECTION TO ~~THE DEPARTMENT OF~~
 3 ~~HEALTH AND MENTAL HYGIENE FOR~~ **THE COMMUNITY HEALTH RESOURCES**
 4 **COMMISSION MAY NOT BE LESS THAN:**

5 1. \$3,000,000 FOR EACH OF FISCAL YEARS 2012 AND
 6 2013; AND

7 2. \$8,000,000 FOR FISCAL YEAR 2014 AND EACH
 8 FISCAL YEAR THEREAFTER.

9 14-106.1.

10 Beginning in fiscal year 2006, a nonprofit health service plan shall transfer
 11 funds in the amounts provided under § 14-106(d)(2) of this subtitle to ~~THE~~
 12 ~~DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR:~~

13 (1) the Community Health Resources Commission Fund established
 14 under § 19-2201 of the Health – General Article to support the costs of the
 15 Community Health Resources Commission as provided in § 14-106(d)(1)(v) of this
 16 subtitle; and

17 (2) [the Department of Health and Mental Hygiene to subsidize the
 18 Maryland Pharmacy Discount Program under § 15-124.1 of the Health – General
 19 Article] THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR THE
 20 KIDNEY DISEASE PROGRAM UNDER TITLE 13, SUBTITLE 3 OF THE HEALTH –
 21 GENERAL ARTICLE.

22 Article – Labor and Employment

23 10-105.

24 (a) Except for Title 3, Subtitle 1, [Title 6, Subtitle 1,] Title 8, Subtitle 3, and
 25 Title 11 of the Insurance Article and as otherwise provided by law, the Fund is subject
 26 to the Insurance Article to the same extent as an authorized domestic workers'
 27 compensation insurer.

28 Article – Natural Resources

29 3-103.

30 (h) (1) The Service [may]:

1 (I) MAY create [and establish 1 or more project reserve funds in
 2 such amounts as the Board considers appropriate] THE FOLLOWING PROJECT
 3 RESERVE FUNDS:

4 1. AN EASTERN CORRECTIONAL INSTITUTION
 5 STEAM TURBINE CONTINGENCY FUND;

6 2. A DEPARTMENT OF NATURAL RESOURCES
 7 PROJECT CONTINGENCY FUND; AND

8 3. A REIMBURSABLE PROJECT CONTINGENCY
 9 FUND; and

10 (II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, may
 11 pay into such funds:

12 [(i)] 1. Any moneys appropriated and made available by the
 13 State for the purposes of such funds;

14 [(ii)] 2. Any proceeds from the sale of bonds or notes, to the
 15 extent provided in the resolution authorizing the issuance of the bonds or notes;

16 [(iii)] 3. Revenues derived from a project of the Service; and

17 [(iv)] 4. Any other moneys which may be received by or
 18 otherwise made available to the Service from any other source or sources which the
 19 Service has designated for deposit into such funds.

20 (2) Moneys held in or credited to a project reserve fund established
 21 under this subsection shall be used solely to accomplish the purposes of this subtitle,
 22 as determined by the Board and, SUBJECT TO PARAGRAPH (3) OF THIS
 23 SUBSECTION, may be retained by the Service in [any such fund from year to year as
 24 determined by the Service] THE APPROPRIATE PROJECT RESERVE FUND BASED
 25 ON THE PROJECT FOR WHICH THE MONEY WAS APPROPRIATED.

26 (3) (I) THE SERVICE MAY NOT RETAIN MORE THAN:

27 1. \$1,500,000 IN THE EASTERN CORRECTIONAL
 28 INSTITUTION TURBINE PROJECT CONTINGENCY FUND;

29 2. \$500,000 IN THE DEPARTMENT OF NATURAL
 30 RESOURCES PROJECT CONTINGENCY FUND; OR

31 3. \$1,000,000 IN THE REIMBURSABLE PROJECT
 32 CONTINGENCY FUND.

1 (II) IF THE BALANCE IN A PROJECT RESERVE FUND
 2 EXCEEDS THE LIMITS STATED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE
 3 SERVICE SHALL REVERT THE EXCESS TO THE FUND FROM WHICH THE
 4 APPROPRIATION TO THE SERVICE WAS MADE.

5 [(3)] (4) Moneys appropriated or made available to the Service by the
 6 State shall be expended in accordance with the provisions of this subtitle.

7 5-212.

8 ~~(g) The Fund may be used only for:~~

9 ~~(1) [(i)] Purchasing and managing in the name of the State lands~~
 10 ~~suitable for forest culture, reserves, watershed protection, State parks, scenic~~
 11 ~~preserves, historic monuments, parkways, and State recreational reserves; [and]~~

12 ~~[(ii)] (2) Helping to offset the costs to the Forest and Park~~
 13 ~~Service for developing and implementing a forest health emergency contingency~~
 14 ~~program under § 5-307 of this title; AND~~

15 ~~[(2) Annual payments to counties in the amount of:~~

16 ~~(i) If the State forest or park reserve comprises less than 10% of~~
 17 ~~the total land area of the county, a sum equal to 15% of the revenue derived from the~~
 18 ~~State forest or park reserve located in that county; and~~

19 ~~(ii) If the State forest or park reserve comprises 10% or more of~~
 20 ~~the total land area of the county, a sum equal to 25% of the revenue derived from the~~
 21 ~~State forest or park reserve located in that county; and]~~

22 ~~(3) Administrative costs calculated in accordance with § 1-103(b)(2) of~~
 23 ~~this article.~~

24 (g) (1) The Fund may be used only for:

25 [(1)] (i) 1. Purchasing and managing in the name of the State
 26 lands suitable for forest culture, reserves, watershed protection, State parks, scenic
 27 preserves, historic monuments, parkways, and State recreational reserves; and

28 [(ii)] 2. Helping to offset the costs to the Forest and Park
 29 Service for developing and implementing a forest health emergency contingency
 30 program under § 5-307 of this title;

31 [(2)] (II) [Annual] SUBJECT TO PARAGRAPH (2) OF THIS
 32 SUBSECTION, payments to counties in the amount of:

1 ~~[(i)]~~ **1.** If the State forest or park reserve comprises less than
 2 10% of the total land area of the county, a sum equal to 15% of the revenue derived
 3 from the State forest or park reserve located in that county; and

4 ~~[(ii)]~~ **2.** If the State forest or park reserve comprises 10% or
 5 more of the total land area of the county, a sum equal to 25% of the revenue derived
 6 from the State forest or park reserve located in that county; and

7 ~~[(3)]~~ **(III)** Administrative costs calculated in accordance with §
 8 1-103(b)(2) of this article.

9 **(2)** FOR FISCAL YEARS 2012 AND 2013 ONLY, THE PAYMENTS
 10 UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION SHALL BE BASED ONLY ON THE
 11 REVENUE DERIVED FROM SALES OF TIMBER.

12 5-212.1.

13 ~~(g) [(1)] [Except as provided in paragraph (2) of this subsection, the]~~ **THE**
 14 ~~Account shall be used only for:~~

15 ~~[(i)] (1)~~ ~~The maintenance and operation of concession~~
 16 ~~operations;~~

17 ~~[(ii)] (2)~~ ~~The function of State forests and parks to the extent~~
 18 ~~of the projected balance of the Account from the prior fiscal year; and~~

19 ~~[(iii)] (3)~~ ~~Administrative costs calculated in accordance with §~~
 20 ~~1-103(b)(2) of this article.~~

21 ~~(g) [(2)]~~ **(I)** ~~Each~~ SUBJECT TO SUBPARAGRAPH (II) OF THIS
 22 PARAGRAPH, EACH county in which any State forest or park is located shall be paid
 23 annually out of the Account:

24 ~~(i)~~ **1.** If the State forest or park reserve comprises less than
 25 10% of the total land area of the county, a sum equal to 15% of the net revenue derived
 26 from concession operations within a State forest or park located in that county; or

27 ~~(ii)~~ **2.** If the State forest or park reserve comprises 10% or
 28 more of the total land area of the county, a sum equal to 25% of the net revenue
 29 derived from concession operations within a State forest or park located in that
 30 county.†

31 **(II)** FOR FISCAL YEARS 2012 AND 2013 ONLY, THE
 32 PAYMENTS UNDER SUBPARAGRAPH (I) OF THIS SUBSECTION MAY NOT BE MADE.

1 ~~5-215.~~

2 (b) ~~(1) There is a Deep Creek Lake Recreation Maintenance and~~
 3 ~~Management Fund in the Department [for the maintenance and management of the~~
 4 ~~land, recreational facilities, and services that are related to Deep Creek Lake in~~
 5 ~~Garrett County].~~

6 ~~(2) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT~~
 7 ~~SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

8 (e) ~~(1) [Except as provided in paragraphs (2) and (4) of this subsection,~~
 9 ~~the] THE Department shall pay INTO THE FUND:~~

10 ~~(I) [all] ALL fees collected for boat launching at Deep Creek~~
 11 ~~Lake State Park[, all]~~

12 ~~(II) ALL funds collected from lake and buffer use permits[.];~~

13 ~~AND~~

14 ~~(III) ALL contracts, grants, and gifts as a result of the Deep~~
 15 ~~Creek Lake management program[, and any investment earnings of the Fund, into the~~
 16 ~~Fund].~~

17 ~~(2) [At the end of each quarter of the fiscal year, the Department shall~~
 18 ~~pay 25% of the total revenue collected during the quarter under paragraph (1) of this~~
 19 ~~subsection to the Board of County Commissioners of Garrett County.~~

20 ~~(3) (i) The Fund is a special, nonlapsing fund that is not subject to~~
 21 ~~§ 7-302 of the State Finance and Procurement Article.~~

22 ~~(ii) Any investment earnings of the Fund may not be~~
 23 ~~transferred or revert to the General Fund of the State, but shall remain in the Fund.~~

24 ~~(4)] Moneys in the Fund may be used for:~~

25 ~~(I) THE MAINTENANCE AND MANAGEMENT OF THE LAND~~
 26 ~~AND RECREATIONAL FACILITIES;~~

27 ~~(II) SERVICES THAT ARE RELATED TO DEEP CREEK LAKE~~
 28 ~~IN GARRETT COUNTY; AND~~

29 ~~(III) [administrative] ADMINISTRATIVE costs calculated in~~
 30 ~~accordance with § 1-103(b)(2) of this article.~~

31 5-903.

1 (II) A PROJECT IMPLEMENTATION REQUEST TO BEGIN FULL
 2 DESIGN, DEVELOPMENT, AND IMPLEMENTATION OF THE PROJECT AFTER THE
 3 COMPLETION OF PLANNING, INCLUDING:

4 1. THE PROJECT TITLE, APPROPRIATION CODE, AND
 5 SUMMARY;

6 2. A DESCRIPTION OF:

7 A. THE NEEDS ADDRESSED BY THE PROJECT;

8 B. THE POTENTIAL RISKS ASSOCIATED WITH THE
 9 PROJECT;

10 C. POSSIBLE ALTERNATIVES;

11 D. THE SCOPE AND COMPLEXITY OF THE PROJECT;
 12 AND

13 E. HOW THE PROJECT MEETS THE GOALS OF THE
 14 STATEWIDE MASTER PLAN; AND

15 3. AN ESTIMATE OF:

16 A. THE TOTAL PROJECT COST; AND

17 B. THE FUND SOURCES AVAILABLE.

18 [(2)] (3) The Secretary may approve funding incrementally,
 19 consistent with the systems development life cycle plan.

20 3A-309.

21 (e) Except as provided in subsection (f) of this section, the Fund consists of:

22 (1) money appropriated in the State budget to the Fund;

23 (2) money received from the sale, lease, or exchange of communication
 24 sites or communication frequencies for information technology purposes as approved
 25 by the Secretary;

26 (3) [money received as commissions, rebates, refunds, rate reductions,
 27 or telecommunication bypass agreements resulting from information technology
 28 services or purchases;

- 1 **23. RATE STABILIZATION FUND;**
- 2 **24. MARYLAND HEALTH INSURANCE PLAN FUND;**
- 3 **25. FAIR CAMPAIGN FINANCING FUND;**
- 4 **26. STATE EMPLOYEES AND RETIREES HEALTH AND**
5 **WELFARE BENEFITS FUND;**
- 6 **27. MAJOR INFORMATION TECHNOLOGY**
7 **DEVELOPMENT PROJECT FUND;**
- 8 **28. STATE RETIREMENT AGENCY FUNDS;**
- 9 **29. POSTRETIREMENT HEALTH BENEFITS TRUST**
10 **FUND;**
- 11 **30. MARYLAND EMERGENCY MEDICAL SYSTEM**
12 **OPERATIONS FUND;**
- 13 **31. STATE WILDLIFE MANAGEMENT AND**
14 **PROTECTION FUND;**
- 15 **32. FISHERIES MANAGEMENT AND PROTECTION**
16 **FUND;**
- 17 **33. OCEAN BEACH REPLENISHMENT FUND;**
- 18 **34. COMMUNITY SERVICES TRUST FUND;**
- 19 **35. WAITING LIST EQUITY FUND;**
- 20 **36. HEALTH CARE COVERAGE FUND;**
- 21 **37. HEALTH SERVICES COST REVIEW COMMISSION**
22 **FUND;**
- 23 **38. HOSPITAL UNCOMPENSATED CARE FUND;**
- 24 **39. FUNDS IN THE ACCOUNTS OF MORGAN STATE**
25 **UNIVERSITY;**
- 26 **40. FUNDS IN THE ACCOUNTS OF ST. MARY'S**
27 **COLLEGE OF MARYLAND;**

- 1 41. FUNDS IN THE ACCOUNTS OF THE UNIVERSITY
2 **SYSTEM OF MARYLAND;**
- 3 42. MARYLAND PREPAID COLLEGE TRUST FUND;
- 4 43. NURSE SUPPORT PROGRAM ASSISTANCE FUND;
- 5 44. FUNDS IN THE ACCOUNTS OF THE BALTIMORE
6 **CITY COMMUNITY COLLEGE;**
- 7 45. EDUCATION TRUST FUND;
- 8 46. SECTION 8 CONSTRUCTION AND ADMINISTRATION
9 **FUNDS ADMINISTERED BY THE DEPARTMENT OF HOUSING AND COMMUNITY**
10 **DEVELOPMENT;**
- 11 47. MACARTHUR GRANT FUND;
- 12 48. ALL SPECIAL FUNDS WITHIN THE DEPARTMENT
13 **OF BUSINESS AND ECONOMIC DEVELOPMENT;**
- 14 49. MARYLAND WATER QUALITY REVOLVING LOAN
15 **FUND;**
- 16 50. MARYLAND DRINKING WATER REVOLVING LOAN
17 **FUND;**
- 18 51. BAY RESTORATION FUND;
- 19 52. MIGRATORY GAME BIRD FUND;
- 20 53. DEER STAMP FUND;
- 21 54. WILDLIFE HABITAT INCENTIVE FUND;
- 22 55. FISHERIES RESEARCH AND DEVELOPMENT
23 **FUND;**
- 24 56. STRATEGIC ENERGY INVESTMENT FUND;
- 25 57. CRIMINAL INJURIES COMPENSATION FUND;
- 26 58. 50% OF THE INTEREST FROM THE 9-1-1 TRUST
27 **FUND;**

1 **59. ALL ACCOUNTS WITHIN THE STATE RESERVE**
 2 **FUND;**

3 **60. LOCAL REVENUE ACCOUNTS COLLECTED BY THE**
 4 **JUDICIARY;**

5 **61. ASSISTIVE TECHNOLOGY LOAN FUND; ~~AND~~**

6 **62. VETERANS TRUST FUND; AND**

7 **63. TRANSPORTATION TRUST FUND.**

8 10-306.

9 (c) (1) Except as provided in paragraph (2) of this subsection, if cash is
 10 received as consideration for the disposition of a capital asset of the State or any unit
 11 of the State government, the cash shall be applied to the State Annuity Bond Fund
 12 Account for the payment of the principal of and interest on the bonded indebtedness of
 13 the State.

14 (2) (I) If cash is received as consideration for the disposition of a
 15 capital asset, and if the capital asset was originally purchased with special funds, the
 16 cash shall be applied to the special fund.

17 (II) NOTWITHSTANDING SUBPARAGRAPH (I) OF THIS
 18 PARAGRAPH, CASH RECEIVED AS CONSIDERATION FOR THE DISPOSITION OF
 19 HELICOPTERS, AUXILIARY HELICOPTER EQUIPMENT, GROUND SUPPORT
 20 EQUIPMENT, OR OTHER CAPITAL EQUIPMENT RELATED TO HELICOPTERS SHALL
 21 BE APPLIED TO THE STATE ANNUITY BOND FUND ACCOUNT FOR THE PAYMENT
 22 OF THE PRINCIPAL OF AND INTEREST ON THE BONDED INDEBTEDNESS OF THE
 23 STATE.

24 (3) If cash is received as consideration for the disposition of any real or
 25 personal property of the State or any unit of the State government, other than a
 26 capital asset, the cash shall be accounted for and paid into the State Treasury.

27 **Article – State Personnel and Pensions**

28 2-508.

29 (b) (1) THIS SUBSECTION APPLIES TO A RETIREE WHO:

30 (I) BEGAN STATE SERVICE ON OR BEFORE JUNE 30, 2011;
 31 OR

- 1 (II) 1. BEGAN STATE SERVICE ON OR AFTER JULY 1,
2 2011; AND
- 3 2. IS A RETIREE OF THE JUDGES' RETIREMENT
4 SYSTEM.

5 [(1)] (2) A retiree may enroll and participate in the health insurance
6 benefit options established under the Program if the retiree:

7 (i) ended State service with at least 10 years of creditable
8 service and within 5 years before the age at which a vested retirement allowance
9 normally would begin;

10 (ii) ended State service with at least 16 years of creditable
11 service;

12 (iii) ended State service on or before June 30, 1984;

13 (iv) retired directly from State service with a State retirement
14 allowance on or after July 1, 1984, and had at least 5 years of creditable service; or

15 (v) retired directly from State service with a State disability
16 retirement allowance on or after July 1, 1984.

17 [(2)] (3) (i) The surviving spouse or dependent child of a deceased
18 retiree who was eligible to enroll may enroll and participate in the health insurance
19 benefit options established under the Program as long as the spouse or child is
20 receiving a periodic allowance under Division II of this article or the Maryland Transit
21 Administration Retirement Plan under § 7-206 of the Transportation Article.

22 (ii) Subparagraph (i) of this paragraph does not apply to a
23 deceased retiree's spouse or dependent child who receives an Option 1, Option 4, or
24 Option 7 benefit under Division II of this article or a lump-sum payment of benefits
25 under the Maryland Transit Administration Retirement Plan under § 7-206 of the
26 Transportation Article.

27 [(c)] (4) [(1)] (I) If a retiree receives a State disability retirement
28 allowance or has 16 or more years of creditable service, the retiree or the retiree's
29 surviving spouse or dependent child is entitled to the same State subsidy allowed a
30 State employee.

31 [(2)] (II) In all other cases, if a retiree has at least 5 years of
32 creditable service, the retiree or the retiree's surviving spouse or dependent child is
33 entitled to 1/16 of the State subsidy allowed a State employee for each year of the
34 retiree's creditable service up to 16 years.

1 [(3)] (III) Notwithstanding [paragraph (2)] SUBPARAGRAPH (II) of
2 this [subsection] PARAGRAPH and subsection (a)(4)(i) of this section, if a retiree is an
3 additional employee or agent of the State Racing Commission, for the purposes of
4 determining a retiree's State subsidy, creditable service shall be determined with
5 respect to service as an additional employee or agent beginning from the initial date of
6 employment or January 1, 1986, whichever is later.

7 (C) (1) (I) ~~THIS~~ EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF
8 THIS PARAGRAPH, THIS SUBSECTION APPLIES TO A RETIREE WHO BEGINS
9 STATE SERVICE ON OR AFTER JULY 1, 2011.

10 (II) THIS SUBSECTION DOES NOT APPLY TO A RETIREE OF
11 THE JUDGES' RETIREMENT SYSTEM.

12 (2) A RETIREE MAY ENROLL AND PARTICIPATE IN THE HEALTH
13 INSURANCE BENEFIT OPTIONS ESTABLISHED UNDER THE PROGRAM IF THE
14 RETIREE ENDED STATE SERVICE WITH AT LEAST 25 YEARS OF CREDITABLE
15 SERVICE.

16 (3) (I) THE SURVIVING SPOUSE OR DEPENDENT CHILD OF A
17 DECEASED RETIREE WHO WAS ELIGIBLE TO ENROLL MAY ENROLL AND
18 PARTICIPATE IN THE HEALTH INSURANCE BENEFIT OPTIONS ESTABLISHED
19 UNDER THE PROGRAM AS LONG AS THE SPOUSE OR CHILD IS RECEIVING A
20 PERIODIC ALLOWANCE UNDER DIVISION II OF THIS ARTICLE OR THE
21 MARYLAND TRANSIT ADMINISTRATION RETIREMENT PLAN UNDER § 7-206 OF
22 THE TRANSPORTATION ARTICLE.

23 (II) SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT
24 APPLY TO A DECEASED RETIREE'S SPOUSE OR DEPENDENT CHILD WHO
25 RECEIVES AN OPTION 1, OPTION 4, OR OPTION 7 BENEFIT UNDER DIVISION II
26 OF THIS ARTICLE OR A LUMP-SUM PAYMENT OF BENEFITS UNDER THE
27 MARYLAND TRANSIT ADMINISTRATION RETIREMENT PLAN UNDER § 7-206 OF
28 THE TRANSPORTATION ARTICLE.

29 (4) (I) IF A RETIREE RECEIVES A STATE DISABILITY
30 RETIREMENT ALLOWANCE OR HAS 25 OR MORE YEARS OF CREDITABLE
31 SERVICE, THE RETIREE OR THE RETIREE'S SURVIVING SPOUSE OR DEPENDENT
32 CHILD IS ENTITLED TO THE SAME STATE SUBSIDY ALLOWED A STATE
33 EMPLOYEE.

34 (II) IN ALL OTHER CASES, IF A RETIREE HAS AT LEAST 10
35 YEARS OF CREDITABLE SERVICE, THE RETIREE OR THE RETIREE'S SURVIVING
36 SPOUSE OR DEPENDENT CHILD IS ENTITLED TO 1/25 OF THE STATE SUBSIDY

1 ALLOWED A STATE EMPLOYEE FOR EACH YEAR OF THE RETIREE'S CREDITABLE
 2 SERVICE UP TO 25 YEARS.

3 (III) NOTWITHSTANDING SUBPARAGRAPH (II) OF THIS
 4 PARAGRAPH AND SUBSECTION (A)(4)(I) OF THIS SECTION, IF A RETIREE IS AN
 5 ADDITIONAL EMPLOYEE OR AGENT OF THE STATE RACING COMMISSION, FOR
 6 THE PURPOSES OF DETERMINING A RETIREE'S STATE SUBSIDY, CREDITABLE
 7 SERVICE SHALL BE DETERMINED WITH RESPECT TO SERVICE AS AN ADDITIONAL
 8 EMPLOYEE OR AGENT BEGINNING FROM THE INITIAL DATE OF EMPLOYMENT.

9 ~~(b) (D) (3) (1)~~ NOTWITHSTANDING PARAGRAPH (1) OF THIS
 10 SUBSECTION SUBSECTIONS (B) AND (C) OF THIS SECTION AND §§ 2-509 AND
 11 2-509.1 OF THIS SUBTITLE, THE STATE MAY ESTABLISH SEPARATE HEALTH
 12 INSURANCE BENEFIT OPTIONS FOR RETIREES THAT DIFFER FROM THOSE FOR
 13 ACTIVE STATE EMPLOYEES.

14 (2) THE HEALTH INSURANCE BENEFIT OPTION FOR RETIREES
 15 SHALL INCLUDE A PRESCRIPTION DRUG BENEFIT THAT:

16 (I) HAS THE SAME CO-PAYMENTS, COINSURANCE,
 17 DEDUCTIBLE, AND OUT-OF-POCKET LIMITS THAT APPLY TO THE PRESCRIPTION
 18 DRUG BENEFIT FOR ACTIVE STATE EMPLOYEES; AND

19 (II) REQUIRES RETIREES TO PAY 25% OF THE PREMIUM FOR
 20 THE PRESCRIPTION DRUG BENEFIT.

21 2-509.

22 (a) (1) THIS SUBSECTION APPLIES TO A RETIREE WHO BEGAN
 23 SERVICE WITH A STATE INSTITUTION OF HIGHER EDUCATION ON OR BEFORE
 24 JUNE 30, 2011.

25 [(1) (2) (I) Subject to [paragraph (2)] SUBPARAGRAPH (II) of
 26 this [subsection] PARAGRAPH, an individual may enroll and participate in the health
 27 insurance benefit options established under the Program if the individual retired
 28 under an optional program under Title 30 of this article and:

29 [(i)] 1. ended service with a State institution of higher
 30 education with at least 10 years of service and was at least age 57;

31 [(ii)] 2. ended service with a State institution of higher
 32 education with at least 16 years of service; or

1 [(iii)] 3. retired directly from and had at least 5 years of
 2 service with a State institution of higher education with a periodic distribution of
 3 benefits on or after July 1, 1984.

4 [(2) (i)] (II) 1. For purposes of this subsection only, years of
 5 service shall be calculated as follows:

6 [1.] A. except as provided in [subparagraph (ii) of this
 7 paragraph] SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, a year of service
 8 means a period of 12 months during which an employee was a participant in an
 9 optional retirement program under Title 30 of this article and the participant's
 10 employer made contributions to the participant's account in the Program; or

11 [2.] B. if an employee's work year is an academic year
 12 of at least 9 but less than 12 months, a year of service means a period equal to the
 13 academic year during which an employee was a participant in an optional retirement
 14 program under Title 30 of this article and the participant's employer made
 15 contributions to the participant's account in the Program.

16 [(ii)] 2. To determine eligibility for health insurance benefits
 17 under this section, each year of service shall be multiplied by the participant's
 18 percentage of full-time employment for that year of service.

19 [(3)] (III) The surviving spouse or dependent child of a deceased
 20 individual who was eligible to enroll may enroll and participate in the health
 21 insurance benefit options established under the Program as long as the spouse or child
 22 is receiving a periodic distribution of benefits under an optional retirement program
 23 under Title 30 of this article.

24 [(b) (1)] (3) (I) An enrollee under this section who was in service with
 25 a State institution of higher education at the time of the retirement is entitled to the
 26 same State subsidy allowed a retiree under § 2-508 of this subtitle. However, except
 27 as provided in [paragraph (2) of this subsection] SUBPARAGRAPH (II) OF THIS
 28 PARAGRAPH, the subsidy shall apply only to the costs of coverage for the enrollee and
 29 may not apply to any additional costs of coverage for the enrollee's spouse or children.

30 [(2)] (II) If the enrollee has 25 or more years of service as an
 31 employee of the State in the Executive, Legislative, or Judicial Branch of government,
 32 the enrollee or the enrollee's surviving spouse or dependent child is entitled to the
 33 same State subsidy allowed a retiree with 16 or more years of creditable service under
 34 § 2-508(c)(1) of this subtitle.

35 (B) (1) THIS SUBSECTION APPLIES TO A RETIREE WHO BEGINS
 36 SERVICE WITH A STATE INSTITUTION OF HIGHER EDUCATION ON OR AFTER
 37 JULY 1, 2011.

1 **(2) (i) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,**
2 **AN INDIVIDUAL MAY ENROLL AND PARTICIPATE IN THE HEALTH INSURANCE**
3 **BENEFIT OPTIONS ESTABLISHED UNDER THE PROGRAM IF THE INDIVIDUAL**
4 **RETIRED UNDER AN OPTIONAL PROGRAM UNDER TITLE 30 OF THIS ARTICLE**
5 **AND:**

6 **1. ENDED SERVICE WITH A STATE INSTITUTION OF**
7 **HIGHER EDUCATION WITH AT LEAST 10 YEARS OF SERVICE AND WAS AT LEAST**
8 **AGE 57;**

9 **2. ENDED SERVICE WITH A STATE INSTITUTION OF**
10 **HIGHER EDUCATION WITH AT LEAST 25 YEARS OF SERVICE; OR**

11 **3. RETIRED DIRECTLY FROM AND HAD AT LEAST 10**
12 **YEARS OF SERVICE WITH A STATE INSTITUTION OF HIGHER EDUCATION WITH A**
13 **PERIODIC DISTRIBUTION OF BENEFITS ON OR AFTER JULY 1, 2011.**

14 **(ii) 1. FOR PURPOSES OF THIS PARAGRAPH ONLY,**
15 **YEARS OF SERVICE SHALL BE CALCULATED AS FOLLOWS:**

16 **A. EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2**
17 **OF THIS SUBPARAGRAPH, A YEAR OF SERVICE MEANS A PERIOD OF 12 MONTHS**
18 **DURING WHICH AN EMPLOYEE WAS A PARTICIPANT IN AN OPTIONAL**
19 **RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE AND THE**
20 **PARTICIPANT'S EMPLOYER MADE CONTRIBUTIONS TO THE PARTICIPANT'S**
21 **ACCOUNT IN THE PROGRAM; OR**

22 **B. IF AN EMPLOYEE'S WORK YEAR IS AN ACADEMIC**
23 **YEAR OF AT LEAST 9 BUT LESS THAN 12 MONTHS, A YEAR OF SERVICE MEANS A**
24 **PERIOD EQUAL TO THE ACADEMIC YEAR DURING WHICH AN EMPLOYEE WAS A**
25 **PARTICIPANT IN AN OPTIONAL RETIREMENT PROGRAM UNDER TITLE 30 OF**
26 **THIS ARTICLE AND THE PARTICIPANT'S EMPLOYER MADE CONTRIBUTIONS TO**
27 **THE PARTICIPANT'S ACCOUNT IN THE PROGRAM.**

28 **2. TO DETERMINE ELIGIBILITY FOR HEALTH**
29 **INSURANCE BENEFITS UNDER THIS SECTION, EACH YEAR OF SERVICE SHALL BE**
30 **MULTIPLIED BY THE PARTICIPANT'S PERCENTAGE OF FULL-TIME EMPLOYMENT**
31 **FOR THAT YEAR OF SERVICE.**

32 **(iii) THE SURVIVING SPOUSE OR DEPENDENT CHILD OF A**
33 **DECEASED INDIVIDUAL WHO WAS ELIGIBLE TO ENROLL MAY ENROLL AND**
34 **PARTICIPATE IN THE HEALTH INSURANCE BENEFIT OPTIONS ESTABLISHED**
35 **UNDER THE PROGRAM AS LONG AS THE SPOUSE OR CHILD IS RECEIVING A**

1 PERIODIC DISTRIBUTION OF BENEFITS UNDER AN OPTIONAL RETIREMENT
 2 PROGRAM UNDER TITLE 30 OF THIS ARTICLE.

3 (3) (I) AN ENROLLEE UNDER THIS SUBSECTION WHO WAS IN
 4 SERVICE WITH A STATE INSTITUTION OF HIGHER EDUCATION AT THE TIME OF
 5 THE RETIREMENT IS ENTITLED TO THE SAME STATE SUBSIDY ALLOWED A
 6 RETIREE UNDER § 2-508(C) OF THIS SUBTITLE. HOWEVER, EXCEPT AS
 7 PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE SUBSIDY SHALL
 8 APPLY ONLY TO THE COSTS OF COVERAGE FOR THE ENROLLEE AND MAY NOT
 9 APPLY TO ANY ADDITIONAL COSTS OF COVERAGE FOR THE ENROLLEE'S SPOUSE
 10 OR CHILDREN.

11 (II) IF THE ENROLLEE HAS 25 OR MORE YEARS OF SERVICE
 12 AS AN EMPLOYEE OF THE STATE IN THE EXECUTIVE, LEGISLATIVE, OR
 13 JUDICIAL BRANCH OF GOVERNMENT, THE ENROLLEE OR THE ENROLLEE'S
 14 SURVIVING SPOUSE OR DEPENDENT CHILD IS ENTITLED TO THE SAME STATE
 15 SUBSIDY ALLOWED A RETIREE WITH 25 OR MORE YEARS OF CREDITABLE
 16 SERVICE UNDER § 2-508(B)(4)(I) OF THIS SUBTITLE.

17 2-509.1.

18 (A) [The] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,
 19 THE State shall continue to include a prescription drug benefit plan in the health
 20 insurance benefit options established under the Program and available to retirees
 21 under §§ 2-508 and 2-509 of this subtitle notwithstanding the enactment of the
 22 federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 or
 23 any other federal law permitting states to discontinue prescription drug benefit plans
 24 to retirees of a state.

25 (B) THE STATE ~~MAY~~ SHALL DISCONTINUE PRESCRIPTION DRUG
 26 BENEFITS FOR MEDICARE-ELIGIBLE RETIREES IN FISCAL YEAR 2020.

27 2-516.

28 (a) In this section, "Fund" means the State Employees and Retirees Health
 29 and Welfare Benefits Fund established under this section.

30 (b) (1) A special reserve fund is established to retain certain State
 31 revenues and State general and special funds for the purpose of funding the State
 32 Employee and Retiree Health and Welfare Benefits Program established under this
 33 subtitle.

34 (2) The Fund is a continuing, nonlapsing fund that is not subject to §
 35 7-302 of the State Finance and Procurement Article.

1 (3) [The Fund consists of the moneys distributed to the Fund under
2 subsection (c) of this section.

3 (4)] The Treasurer shall separately hold and the Comptroller shall
4 account for the Fund.

5 **[(5) (4)** (i) The Fund shall be invested and reinvested in the
6 same manner as other State funds.

7 (ii) Any investment earnings shall be credited to the Fund.

8 (c) [(1) Notwithstanding any other provision of law, for fiscal years 2010
9 through 2012 only, there shall be credited to the Fund any subsidy received by the
10 State that is provided to employers as a result of the federal Medicare Prescription
11 Drug, Improvement, and Modernization Act of 2003, or similar federal subsidy
12 received as a result of the State's prescription drug program.

13 (2)] The Fund [also] consists of moneys appropriated for State
14 Employee and Retiree Health Insurance or authorized to be transferred to that
15 purpose in the State budget.

16 (d) (1) Except as otherwise provided in this section, the Fund shall be
17 retained in reserve and may not be spent for any purpose.

18 (2) Subject to the budget amendment procedure provided for in §
19 7–209 of the State Finance and Procurement Article, moneys credited to the Fund may
20 be used only for the purpose of funding the State costs of the State Employee and
21 Retiree Health and Welfare Benefits Program.

22 20–101.

23 (g) “Average final compensation” means the average annual earnable
24 compensation that is computed as provided in § 20–204 [or], § 20–205, **OR § 20–205.1**
25 of this title.

26 (bb) “Normal retirement age” means:

27 (1) 50 years old, for a member of:

28 (i) the State Police Retirement System; or

29 (ii) the Law Enforcement Officers' Pension System;

30 (2) 60 years old, for a member of:

1 (i) the Correctional Officers' Retirement System, for the
2 purpose of disability retirement only;

3 (ii) the Employees' Retirement System;

4 (iii) the Judges' Retirement System;

5 (iv) the Local Fire and Police System, who transferred from the
6 Employees' Retirement System; or

7 (v) the Teachers' Retirement System; [or]

8 (3) 62 years old, for a member of:

9 (i) the Employees' Pension System **WHO IS NOT SUBJECT TO**
10 **THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE**
11 **2, PART IV OF THIS ARTICLE;**

12 (ii) the Local Fire and Police System, who has not transferred
13 from the Employees' Retirement System; or

14 (iii) the Teachers' Pension System **WHO IS NOT SUBJECT TO**
15 **THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE**
16 **2, PART IV OF THIS ARTICLE; OR**

17 (4) **65 YEARS OLD, FOR A MEMBER OF THE EMPLOYEES' PENSION**
18 **SYSTEM OR TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED**
19 **CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF**
20 **THIS ARTICLE.**

21 (HH-1) **"REFORMED CONTRIBUTORY PENSION BENEFIT" MEANS THE**
22 **PART OF THE EMPLOYEES' PENSION SYSTEM AND THE TEACHERS' PENSION**
23 **SYSTEM THAT PROVIDES THE REFORMED CONTRIBUTORY PENSION BENEFIT**
24 **UNDER TITLE 23, SUBTITLE 2, PART IV OF THIS ARTICLE.**

25 20-204.

26 (a) **(1) This [section]SUBSECTION applies only to AN INDIVIDUAL WHO**
27 **IS A MEMBER OF:**

28 **[(1) the Correctional Officers' Retirement System;**

29 **(2)] (I) the Employees' Retirement System; OR**

30 **[(3) the State Police Retirement System; or**

1 (4) (II) the Teachers' Retirement System.

2 [(b) (2) Except as provided in [subsection (c) of this section] PARAGRAPH
3 (3) OF THIS SUBSECTION, the average final compensation of a member equals the
4 average annual earnable compensation of the member for:

5 [(1) (I) the 3 years of employment as a member during which the
6 member's earnable compensation was highest, if the member was employed at least 3
7 years as a member; or

8 [(2) (II) the member's total period of employment, if the member was
9 employed less than 3 years as a member.

10 [(c) (1) (3) Except for a salary increase because of a member's
11 promotion, the member's average final compensation does not include a salary
12 increase in the last 3 years of employment if it is an extraordinary salary increase
13 according to regulations that the Board of Trustees adopts.

14 [(2) (i) This paragraph applies only to a member of the State Police
15 Retirement System.

16 (ii) If a member of the State Police Retirement System who
17 transferred from another actuarial retirement system in the State retires after less
18 than 3 years of employment as a member of the State Police Retirement System, the
19 earnable compensation as a member in the other system shall be used in the
20 determination of average final compensation.]

21 (B) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL WHO ON
22 OR BEFORE JUNE 30, 2011, IS A MEMBER OF:

23 (I) THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM;
24 OR

25 (II) THE STATE POLICE RETIREMENT SYSTEM.

26 (2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS
27 SUBSECTION, THE AVERAGE FINAL COMPENSATION OF A MEMBER EQUALS THE
28 AVERAGE ANNUAL EARNABLE COMPENSATION OF THE MEMBER FOR:

29 (I) THE 3 YEARS OF EMPLOYMENT AS A MEMBER DURING
30 WHICH THE MEMBER'S EARNABLE COMPENSATION WAS HIGHEST, IF THE
31 MEMBER WAS EMPLOYED AT LEAST 3 YEARS AS A MEMBER; OR

1 (II) THE MEMBER'S TOTAL PERIOD OF EMPLOYMENT, IF THE
2 MEMBER WAS EMPLOYED LESS THAN 3 YEARS AS A MEMBER.

3 (3) (I) EXCEPT FOR A SALARY INCREASE BECAUSE OF A
4 MEMBER'S PROMOTION, THE MEMBER'S AVERAGE FINAL COMPENSATION DOES
5 NOT INCLUDE A SALARY INCREASE IN THE LAST 3 YEARS OF EMPLOYMENT IF IT
6 IS AN EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT
7 THE BOARD OF TRUSTEES ADOPTS.

8 (II) 1. THIS SUBPARAGRAPH APPLIES ONLY TO A
9 MEMBER OF THE STATE POLICE RETIREMENT SYSTEM.

10 2. IF A MEMBER OF THE STATE POLICE
11 RETIREMENT SYSTEM WHO TRANSFERRED FROM ANOTHER ACTUARIAL
12 RETIREMENT SYSTEM IN THE STATE RETIRES AFTER LESS THAN 3 YEARS OF
13 EMPLOYMENT AS A MEMBER OF THE STATE POLICE RETIREMENT SYSTEM, THE
14 EARNABLE COMPENSATION AS A MEMBER IN THE OTHER SYSTEM SHALL BE
15 USED IN THE DETERMINATION OF AVERAGE FINAL COMPENSATION.

16 (C) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL WHO ON
17 OR AFTER JULY 1, 2011, BECOMES A MEMBER OF:

18 (I) THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM;
19 OR

20 (II) THE STATE POLICE RETIREMENT SYSTEM.

21 (2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS
22 SUBSECTION, THE AVERAGE FINAL COMPENSATION OF A MEMBER EQUALS THE
23 AVERAGE ANNUAL EARNABLE COMPENSATION OF THE MEMBER FOR:

24 (I) THE 5 YEARS OF EMPLOYMENT AS A MEMBER DURING
25 WHICH THE MEMBER'S EARNABLE COMPENSATION WAS HIGHEST, IF THE
26 MEMBER WAS EMPLOYED AT LEAST 3 YEARS AS A MEMBER; OR

27 (II) THE MEMBER'S TOTAL PERIOD OF EMPLOYMENT, IF THE
28 MEMBER WAS EMPLOYED LESS THAN 5 YEARS AS A MEMBER.

29 (3) (I) EXCEPT FOR A SALARY INCREASE BECAUSE OF A
30 MEMBER'S PROMOTION, THE MEMBER'S AVERAGE FINAL COMPENSATION DOES
31 NOT INCLUDE A SALARY INCREASE IN THE LAST 5 YEARS OF EMPLOYMENT IF IT
32 IS AN EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT
33 THE BOARD OF TRUSTEES ADOPTS.

1 (II) 1. THIS SUBPARAGRAPH APPLIES ONLY TO A
 2 MEMBER OF THE STATE POLICE RETIREMENT SYSTEM.

3 2. IF A MEMBER OF THE STATE POLICE
 4 RETIREMENT SYSTEM WHO TRANSFERRED FROM ANOTHER ACTUARIAL
 5 RETIREMENT SYSTEM IN THE STATE RETIRES AFTER LESS THAN 5 YEARS OF
 6 EMPLOYMENT AS A MEMBER OF THE STATE POLICE RETIREMENT SYSTEM, THE
 7 EARNABLE COMPENSATION AS A MEMBER IN THE OTHER SYSTEM SHALL BE
 8 USED IN THE DETERMINATION OF AVERAGE FINAL COMPENSATION.

9 20-205.

10 (a) ~~(1) [This] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS~~
 11 ~~SUBSECTION, THIS~~ THIS section applies only to AN INDIVIDUAL WHO ON OR
 12 BEFORE JUNE 30, 2011, IS A MEMBER OF:

13 ~~{(1)} (I)~~ the Employees' Pension System;

14 ~~{(2)} (II)~~ the Local Fire and Police System;

15 ~~{(3)} (III)~~ the Law Enforcement Officers' Pension System; ~~and~~ OR

16 ~~{(4)} (IV)~~ the Teachers' Pension System.

17 ~~(2) THIS SECTION DOES NOT APPLY TO:~~

18 ~~(I) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR~~
 19 ~~TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED~~
 20 ~~CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF~~
 21 ~~THIS ARTICLE; OR~~

22 ~~(II) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR~~
 23 ~~TEACHERS' PENSION SYSTEM WHO HAS FEWER THAN 5 YEARS OF ELIGIBILITY~~
 24 ~~SERVICE IN THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION SYSTEM~~
 25 ~~AS OF JULY 1, 2011.~~

26 20-205.1.

27 (A) THIS SECTION APPLIES TO ONLY TO AN INDIVIDUAL WHO ON OR
 28 AFTER JULY 1, 2011, BECOMES A MEMBER OF:

29 (1) THE EMPLOYEES' PENSION SYSTEM;

30 (2) THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM; OR

1 **(3) THE TEACHERS' PENSION SYSTEM.**

2 ~~(1) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR~~
3 ~~TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED~~
4 ~~CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF~~
5 ~~THIS ARTICLE; AND~~

6 ~~(2) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR~~
7 ~~TEACHERS' PENSION SYSTEM WHO HAS FEWER THAN 5 YEARS OF ELIGIBILITY~~
8 ~~SERVICE IN THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION~~
9 ~~SYSTEM AS OF JULY 1, 2011.~~

10 **(B) (1) IN THIS SUBSECTION, "BREAK IN SERVICE" MEANS A PERIOD**
11 **OF EMPLOYMENT IN WHICH THE MEMBER'S EMPLOYER DID NOT:**

12 **(I) DEDUCT THE MEMBER CONTRIBUTIONS FROM THE**
13 **COMPENSATION OF THE MEMBER; OR**

14 **(II) REPORT THE HOURS WORKED BY THE MEMBER.**

15 **(2) (I) FOR THE PURPOSE OF COMPUTING BENEFITS UNDER**
16 **THIS DIVISION II, THE AVERAGE FINAL COMPENSATION OF A MEMBER EQUALS**
17 **THE AVERAGE ANNUAL EARNABLE COMPENSATION OF THE MEMBER, ADJUSTED**
18 **AS PROVIDED IN THIS SECTION, DURING THE 5 CONSECUTIVE YEARS THAT**
19 **PROVIDE THE HIGHEST AVERAGE EARNABLE COMPENSATION.**

20 **(II) IF THE MEMBER EXPERIENCED ANY BREAK IN SERVICE**
21 **DURING THE 5 CONSECUTIVE YEARS THAT PROVIDE THE MEMBER'S HIGHEST**
22 **AVERAGE EARNABLE COMPENSATION, THE BOARD OF TRUSTEES:**

23 **1. MAY NOT INCLUDE IN THE COMPUTATION OF**
24 **AVERAGE FINAL COMPENSATION THE PERIOD OF MONTHS OF THE BREAKS IN**
25 **SERVICE THAT OTHERWISE WOULD BE INCLUDED IN THE COMPUTATION; AND**

26 **2. IN ORDER TO GENERATE THE HIGHEST AVERAGE**
27 **EARNABLE COMPENSATION FOR THE MEMBER, SHALL EXTEND THE 5-YEAR**
28 **PERIOD BY AN EQUAL NUMBER OF MONTHS IMMEDIATELY PRECEDING OR**
29 **FOLLOWING THAT PERIOD.**

30 **(C) (1) THIS SUBSECTION APPLIES TO A MEMBER WHOSE ELIGIBILITY**
31 **SERVICE HAS BEEN ADJUSTED UNDER THIS DIVISION II TO COMPUTE**
32 **CREDITABLE SERVICE, ON THE BASIS OF THE MEMBER HAVING COMPLETED**
33 **LESS THAN THE NORMAL HOURS OF SERVICE FOR THE MEMBER'S POSITION.**

1 **(2) A MEMBER'S EARNABLE COMPENSATION SHALL BE ADJUSTED**
2 **TO A FULL-TIME BASIS FOR ANY PERIOD INCLUDED IN THE COMPUTATION OF**
3 **AVERAGE FINAL COMPENSATION.**

4 **(D) EXCEPT FOR A SALARY INCREASE BECAUSE OF A MEMBER'S**
5 **PROMOTION, THE MEMBER'S AVERAGE FINAL COMPENSATION DOES NOT**
6 **INCLUDE A SALARY INCREASE IN THE LAST 5 YEARS OF EMPLOYMENT IF IT IS AN**
7 **EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT THE**
8 **BOARD OF TRUSTEES ADOPTS.**

9 21-302.

10 **(b) [The] SUBJECT TO § 21-316 OF THIS SUBTITLE, THE** assets of the
11 several systems shall be used to pay the obligations of the State specified in this
12 section.

13 21-303.

14 **(d) (1) [Each] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
15 SUBSECTION, EACH year, the Board of Trustees shall transfer from the accumulation
16 fund of each State system to the expense fund of that system the amounts required by
17 § 21-315 of this subtitle.

18 **(2) WITH RESPECT TO MEMBERS OTHER THAN MEMBERS WHO**
19 ARE EMPLOYEES OF A PARTICIPATING GOVERNMENTAL UNIT OR ON WHOSE
20 BEHALF AN EMPLOYER IS REQUIRED TO MAKE CONTRIBUTIONS UNDER § 21-307
21 OF THIS SUBTITLE, THE ADMINISTRATIVE AND OPERATIONAL EXPENSES OF THE
22 BOARD OF TRUSTEES AND THE STATE RETIREMENT AGENCY, NOT INCLUDING
23 AMOUNTS AS AUTHORIZED BY THE BOARD OF TRUSTEES NECESSARY FOR
24 INVESTMENT MANAGEMENT SERVICES, SHALL BE PAID BY PARTICIPATING
25 EMPLOYERS AS PROVIDED IN § 21-316 OF THIS SUBTITLE AND MAY NOT BE
26 TRANSFERRED FROM THE ACCUMULATION FUND OF EACH SYSTEM.

27 21-304.

28 **(a) (2) “[Full] PRELIMINARY funding rate” means the sum of:**

29 **(i) the aggregate normal rate that is based on the normal**
30 contribution rate calculated under subsection (c) of this section [and adjusted to
31 incorporate legislative changes in benefits to reflect changes to the normal cost]; and

32 **(ii) the aggregate unfunded accrued liability contribution rate**
33 that is based on the unfunded accrued liability contribution rate under subsection
34 [(d)(1) and (2)] (D)(1)(I) AND (II)1 AND 2 AND (2) of this section.

1 **(b) (1) [Each] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS**
2 **SUBSECTION, EACH** fiscal year, on behalf of the State members of each State system,
3 **the State shall pay to the appropriate accumulation fund an amount equal to or**
4 **greater than the sum of the amount, if any, required to be included in the budget bill**
5 **under § 3-501(c)(2)(ii) of this article and the product of multiplying:**

6 **(i) the aggregate annual earnable compensation of the State**
7 **members of that State system; and**

8 **(ii) 1. for State members of the Law Enforcement Officers'**
9 **Retirement System, State Police Retirement System, and the Judges' Retirement**
10 **System, the sum of the normal contribution rate and the accrued liability contribution**
11 **rate, as determined under this section;**

12 **2. for State members of the Employees' Pension System,**
13 **Employees' Retirement System, Correctional Officers' Retirement System, and**
14 **Legislative Pension Plan, the employees' systems contribution rate determined under**
15 **subsection (e) of this section; or**

16 **3. for State members of the Teachers' Pension System**
17 **and Teachers' Retirement System, the teachers' systems contribution rate determined**
18 **under subsection (f) of this section.**

19 **(2) The amount determined under paragraph (1) of this subsection for**
20 **each State system shall be based on an actuarial determination of the amounts that**
21 **are required to preserve the integrity of the funds of the several systems using:**

22 **(i) the entry-age actuarial cost method; and**

23 **(ii) actuarial assumptions adopted by the Board of Trustees.**

24 **(3) For the purpose of making the determinations required under this**
25 **section:**

26 **(i) the Employees' Retirement System, the Employees' Pension**
27 **System, the Correctional Officers' Retirement System, and the Legislative Pension**
28 **Plan shall be considered together as one State system; and**

29 **(ii) the Teachers' Retirement System and the Teachers' Pension**
30 **System shall be considered together as one State system.**

31 **(4) (1) THE TOTAL AMOUNT PAID UNDER PARAGRAPH (1) OF**
32 **THIS SUBSECTION MAY NOT BE GREATER THAN 20% OF THE AGGREGATE**
33 **ANNUAL EARNABLE COMPENSATION OF ALL STATE MEMBERS.**

1 **(II) IF THE AMOUNT REQUIRED TO BE PAID UNDER**
2 **PARAGRAPH (1) OF THIS SUBSECTION IS GREATER THAN 20% OF THE**
3 **AGGREGATE ANNUAL EARNABLE COMPENSATION OF ALL STATE MEMBERS, THE**
4 **AMOUNT PAID TO THE APPROPRIATE ACCUMULATION FUND OF EACH STATE**
5 **SYSTEM SHALL BE REDUCED ON A PRORATED BASIS BASED ON THE TOTAL**
6 **AGGREGATE ANNUAL EARNABLE COMPENSATION FOR EACH STATE SYSTEM.**

7 (e) (1) When the funding ratio for the employees' systems is between 90%
8 and 110%, inclusive, the employees' system contribution rate is the rate for the
9 previous fiscal year, adjusted to reflect legislative changes that result in changes in
10 normal cost and to amortize over 25 years any actuarial liabilities of the employees'
11 systems.

12 (2) **[When] EXCEPT AS PROVIDED IN SUBJECT TO PARAGRAPH (4)**
13 **OF THIS SUBSECTION, WHEN** the funding ratio for the employees' systems is below
14 90%, the employees' system contribution rate shall be the sum of:

15 (i) the employees' system contribution rate for the previous
16 fiscal year; and

17 (ii) 20% of the difference between the ~~full~~ **PRELIMINARY**
18 funding rate for the current fiscal year and the employees' system contribution rate for
19 the previous fiscal year.

20 (3) **[When] EXCEPT AS PROVIDED IN SUBJECT TO PARAGRAPH (4)**
21 **OF THIS SUBSECTION, WHEN** the funding ratio for the employees' systems is above
22 110%, the employees' system contribution rate shall be the difference between:

23 (i) the employees' system contribution rate for the previous
24 fiscal year; and

25 (ii) 20% of the difference between the employees' system
26 contribution rate for the previous fiscal year and the ~~full~~ **PRELIMINARY** funding rate
27 for the current fiscal year.

28 **(4) THE CONTRIBUTION RATE FOR THE EMPLOYEES' SYSTEMS**
29 **UNDER PARAGRAPH (2) OR (3) OF THIS SUBSECTION SHALL BE ADJUSTED TO**
30 **REFLECT THE COST OF LEGISLATIVE CHANGES OR SAVINGS OF LEGISLATIVE**
31 **CHANGES THAT RESULT IN CHANGES IN NORMAL CONTRIBUTIONS OR ACCRUED**
32 **LIABILITIES AND TO AMORTIZE OVER 25 YEARS ANY CHANGES IN ACCRUED**
33 **LIABILITIES OF THE EMPLOYEES' SYSTEMS.**

34 (f) (1) When the funding ratio for the teachers' systems is between 90%
35 and 110%, the teachers' system contribution rate is the rate for the previous fiscal

1 year, adjusted to reflect legislative changes that result in changes in normal cost and
2 to amortize over 25 years any actuarial liabilities of the teachers' systems.

3 (2) [When] ~~EXCEPT AS PROVIDED IN~~ SUBJECT TO PARAGRAPH (4)
4 OF THIS SUBSECTION, WHEN the funding ratio for the teachers' systems is below
5 90%, the teachers' system contribution rate shall be the sum of:

6 (i) the teachers' system contribution rate for the previous fiscal
7 year; and

8 (ii) 20% of the difference between the ~~full~~ PRELIMINARY
9 funding rate for the current fiscal year and the teachers' system contribution rate for
10 the previous fiscal year.

11 (3) [When] ~~EXCEPT AS PROVIDED IN~~ SUBJECT TO PARAGRAPH (4)
12 OF THIS SUBSECTION, WHEN the funding ratio for the teachers' systems is above
13 110%, the teachers' system contribution rate shall be the difference between:

14 (i) the teachers' system contribution rate for the previous fiscal
15 year; and

16 (ii) 20% of the difference between the teachers' system
17 contribution rate for the previous fiscal year and the ~~full~~ PRELIMINARY funding rate
18 for the current fiscal year.

19 (4) THE CONTRIBUTION RATE FOR THE TEACHERS' SYSTEMS
20 UNDER PARAGRAPH (2) OR (3) OF THIS SUBSECTION SHALL BE ADJUSTED TO
21 REFLECT THE COST OF LEGISLATIVE CHANGES OR SAVINGS OF LEGISLATIVE
22 CHANGES THAT RESULT IN CHANGES IN NORMAL CONTRIBUTIONS OR ACCRUED
23 LIABILITIES AND TO AMORTIZE OVER 25 YEARS ANY CHANGES IN ACCRUED
24 LIABILITIES OF THE TEACHERS' SYSTEMS.

25 21-308.

26 (a) (1) On or before December 1 of each year, the Board of Trustees shall:

27 (i) certify to the Governor and the Secretary of Budget and
28 Management the rates to be used to determine the amounts to be paid by the State to
29 the accumulation fund of each of the several systems during the next fiscal year; and

30 (ii) provide to the Secretary of Budget and Management a
31 statement of the total amount to be paid to the Teachers' Retirement System and the
32 Teachers' Pension System expressed as a percentage of the payroll of all members of
33 those State systems.

34 (2) The Governor shall include in the budget bill:

1 (i) the total amount of the State's contribution to each State
2 system as ascertained based on the rates certified by the Board of Trustees under
3 paragraph (1) of this subsection;

4 (ii) the additional amounts as ascertained under subsection (d)
5 of this section for the State's payment to the professional and clerical employees of the
6 Department of Public Libraries of Montgomery County who are members of the
7 Employees' Retirement System of Montgomery County and are excluded from
8 membership in the Teachers' Retirement System or the Teachers' Pension System;
9 and

10 (iii) any additional amount required to be in the budget bill
11 under § 3-501(c)(2)(ii) of this article.

12 **(3) (i) ON OR BEFORE DECEMBER 1, 2012, AND EACH**
13 **DECEMBER 1 THEREAFTER, THE BOARD OF TRUSTEES SHALL CERTIFY TO THE**
14 **GOVERNOR AND THE SECRETARY OF BUDGET AND MANAGEMENT THE AMOUNT**
15 **OF THE DIFFERENCE BETWEEN THE TOTAL AMOUNT OF THE STATE'S**
16 **CONTRIBUTION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION AND**
17 **THE AMOUNT THAT THE BOARD DETERMINES WOULD HAVE BEEN REQUIRED**
18 **HAD LEGISLATION INCREASING EMPLOYEE CONTRIBUTIONS TO, AND REDUCING**
19 **THE LIABILITIES OF, THE STATE RETIREMENT AND PENSION SYSTEM NOT BEEN**
20 **ENACTED IN 2011.**

21 **(ii) FOR FISCAL YEAR 2014 AND EACH FISCAL YEAR**
22 **THEREAFTER, IN ADDITION TO THE AMOUNTS REQUIRED UNDER PARAGRAPH**
23 **(2) OF THIS SUBSECTION, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL**
24 **THE LESSER OF:**

25 **1. \$300,000,000; AND**
26 **2. THE AMOUNT CERTIFIED UNDER SUBPARAGRAPH**
27 **(i) OF THIS PARAGRAPH.**

28 **21-316.**

29 **(A) IN THIS SECTION, "LOCAL EMPLOYER" MEANS A PARTICIPATING**
30 **EMPLOYER OTHER THAN:**

31 **(1) THE STATE;**

32 **(2) A PARTICIPATING GOVERNMENTAL UNIT; OR**

1 **(3) AN EMPLOYER REQUIRED TO MAKE CONTRIBUTIONS UNDER §**
2 **21-307 OF THIS SUBTITLE.**

3 **(B) (1) FOR EACH FISCAL YEAR, THE STATE AND EACH LOCAL**
4 **EMPLOYER SHALL PAY TO THE BOARD OF TRUSTEES THEIR PRO RATA SHARES**
5 **OF THE AMOUNT ESTIMATED BY THE BOARD OF TRUSTEES UNDER § 21-315(C)**
6 **OF THIS SUBTITLE TO BE NECESSARY FOR THE ADMINISTRATIVE AND**
7 **OPERATIONAL EXPENSES OF THE BOARD OF TRUSTEES AND THE STATE**
8 **RETIREMENT AGENCY.**

9 **(2) THE PRO RATA SHARE OF THE STATE AND OF EACH LOCAL**
10 **EMPLOYER SHALL BE BASED ON THE NUMBER OF MEMBERS OF THE SEVERAL**
11 **SYSTEMS EMPLOYED BY THE STATE OR LOCAL EMPLOYER COMPARED TO THE**
12 **TOTAL MEMBERSHIP OF THE SEVERAL SYSTEMS WHO ARE EMPLOYED BY THE**
13 **STATE OR A LOCAL EMPLOYER.**

14 **(C) ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE BOARD OF**
15 **TRUSTEES SHALL:**

16 **(1) DETERMINE THE PER MEMBER CONTRIBUTION AMOUNT AND**
17 **THE AMOUNTS PAYABLE BY THE STATE AND EACH LOCAL EMPLOYER UNDER**
18 **THIS SECTION FOR THE NEXT FISCAL YEAR; AND**

19 **(2) CERTIFY THE PER MEMBER CONTRIBUTION AND THE**
20 **AMOUNTS PAYABLE:**

21 **(I) TO THE SECRETARY OF BUDGET AND MANAGEMENT,**
22 **FOR MEMBERS WHOSE COMPENSATION IS PAID BY THE STATE; AND**

23 **(II) TO EACH LOCAL EMPLOYER.**

24 **(D) (1) THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL THE**
25 **AMOUNT CERTIFIED UNDER SUBSECTION (C)(2)(I) OF THIS SECTION.**

26 **(2) THE AMOUNTS PAYABLE BY THE STATE UNDER THIS SECTION**
27 **WITH RESPECT TO MEMBERS EMPLOYED BY EACH STATE UNIT SHALL BE**
28 **CHARGED AGAINST THE BUDGET OF THAT UNIT.**

29 **(E) (1) ON OR BEFORE OCTOBER 1, JANUARY 1, APRIL 16, AND JUNE**
30 **1 OF EACH FISCAL YEAR, EACH LOCAL EMPLOYER SHALL PAY TO THE BOARD OF**
31 **TRUSTEES 25% OF THE AMOUNT CERTIFIED TO THE LOCAL EMPLOYER BY THE**
32 **BOARD OF TRUSTEES UNDER SUBSECTION (C)(2)(II) OF THIS SECTION.**

1 **(2) A LOCAL EMPLOYER MAY ELECT TO HAVE THE AMOUNTS**
 2 **REQUIRED UNDER THIS SECTION DEDUCTED FROM STATE AID DISTRIBUTIONS**
 3 **UNDER THE EDUCATION ARTICLE.**

4 **(3) IF A LOCAL EMPLOYER DOES NOT PAY THE AMOUNTS**
 5 **REQUIRED UNDER THIS SECTION WITHIN THE TIME REQUIRED, THE LOCAL**
 6 **EMPLOYER IS LIABLE FOR INTEREST ON DELINQUENT AMOUNTS AT A RATE OF**
 7 **4% A YEAR UNTIL PAYMENT.**

8 **(4) THE SECRETARY OF THE BOARD OF TRUSTEES MAY ALLOW A**
 9 **GRACE PERIOD NOT TO EXCEED 10 CALENDAR DAYS FOR PAYMENT OF THE**
 10 **AMOUNTS CERTIFIED UNDER THIS SECTION.**

11 **(5) ON NOTIFICATION BY THE SECRETARY OF THE BOARD OF**
 12 **TRUSTEES THAT A DELINQUENCY EXISTS, THE STATE COMPTROLLER**
 13 **IMMEDIATELY SHALL EXERCISE THE RIGHT OF SETOFF AGAINST ANY MONEY**
 14 **DUE OR COMING DUE TO THAT LOCAL EMPLOYER FROM THE STATE.**

15 **(F) ON RECEIPT OF PAYMENTS UNDER THIS SECTION, THE BOARD OF**
 16 **TRUSTEES SHALL CREDIT THESE AMOUNTS TO THE EXPENSE FUND OF THE**
 17 **APPROPRIATE STATE SYSTEM.**

18 23-212.

19 (c) ~~{The} EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION,~~
 20 ~~THE~~ contribution rate of a member who is subject to the Alternate Contributory
 21 Pension Selection under Part III of this subtitle is:

22 (1) 3% of the member's earnable compensation received from July 1,
 23 2006 to June 30, 2007, both inclusive;

24 (2) 4% of the member's earnable compensation received from July 1,
 25 2007 to June 30, 2008, both inclusive; ~~and~~

26 (3) 5% of the member's earnable compensation received ~~on or after~~
 27 **FROM July 1, 2008, TO JUNE 30, 2011, BOTH INCLUSIVE; AND**

28 **(4) 7% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**
 29 **ON OR AFTER JULY 1, 2011.**

30 ~~(D) THE CONTRIBUTION RATE OF A MEMBER WHO IS SUBJECT TO~~
 31 ~~SELECTION TWO (SEVEN PERCENT MEMBER CONTRIBUTIONS) UNDER § 23-221~~
 32 ~~OF THIS SUBTITLE IS:~~

1 ~~(1) 3% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED~~
 2 ~~FROM JULY 1, 2006, TO JUNE 30, 2007, BOTH INCLUSIVE;~~

3 ~~(2) 4% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED~~
 4 ~~FROM JULY 1, 2007, TO JUNE 30, 2008, BOTH INCLUSIVE;~~

5 ~~(3) 5% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED~~
 6 ~~FROM JULY 1, 2008, TO JUNE 30, 2011, BOTH INCLUSIVE; AND~~

7 ~~(4) 7% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED~~
 8 ~~ON OR AFTER JULY 1, 2011.~~

9 ~~(E)~~ (D) THE CONTRIBUTION RATE OF A MEMBER WHO IS SUBJECT TO
 10 THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER PART IV OF THIS
 11 SUBTITLE IS 7% OF THE MEMBER'S EARNABLE COMPENSATION.

12 ~~23 221.~~

13 (a) (1) ~~In this section[, "active"] THE FOLLOWING WORDS HAVE THE~~
 14 ~~MEANINGS INDICATED.~~

15 (2) ~~"ACTIVE member" means a member who is not separated from~~
 16 ~~employment with the State or a participating employer of the State.~~

17 (3) ~~"SELECTION ONE (FIVE PERCENT MEMBER~~
 18 ~~CONTRIBUTIONS)" MEANS THE SELECTION AVAILABLE UNDER SUBSECTION~~
 19 ~~(D)(1)(I) OF THIS SECTION.~~

20 (4) ~~"SELECTION TWO (SEVEN PERCENT MEMBER~~
 21 ~~CONTRIBUTIONS)" MEANS THE SELECTION AVAILABLE UNDER SUBSECTION~~
 22 ~~(D)(1)(II) OF THIS SECTION.~~

23 (D) (1) ~~AN INDIVIDUAL WHO IS AN ACTIVE MEMBER SUBJECT TO THE~~
 24 ~~ALTERNATE CONTRIBUTORY PENSION SELECTION UNDER THIS PART III~~
 25 ~~SHALL SELECT ONE OF THE FOLLOWING:~~

26 (I) ~~SELECTION ONE (FIVE PERCENT MEMBER~~
 27 ~~CONTRIBUTIONS) THAT PROVIDES FOR MEMBER CONTRIBUTIONS OF 5% OF~~
 28 ~~SALARY AND A BENEFIT ACCRUAL RATE OF 1.5% OF A MEMBER'S AVERAGE~~
 29 ~~FINAL COMPENSATION FOR CREDITABLE SERVICE ON OR AFTER JULY 1, 2011;~~
 30 ~~OR~~

31 (II) ~~SELECTION TWO (SEVEN PERCENT MEMBER~~
 32 ~~CONTRIBUTIONS) THAT PROVIDES FOR MEMBER CONTRIBUTIONS OF 7% OF~~

~~1 SALARY ON OR AFTER JULY 1, 2011, AND A BENEFIT ACCRUAL RATE OF 1.8% OF
2 A MEMBER'S AVERAGE FINAL COMPENSATION.~~

~~3 (2) (i) AN INDIVIDUAL WHO, ON JUNE 1, 2011, IS AN ACTIVE
4 MEMBER SUBJECT TO THE ALTERNATE CONTRIBUTORY PENSION SELECTION
5 UNDER THIS PART III SHALL MAKE A SELECTION IN THE MANNER PRESCRIBED
6 BY THE STATE RETIREMENT AGENCY ON OR BEFORE JUNE 15, 2011.~~

~~7 (ii) AN INDIVIDUAL WHO BECOMES A MEMBER OF THE
8 EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION SYSTEM BETWEEN
9 JUNE 2, 2011, AND JUNE 30, 2011, SHALL MAKE A SELECTION IN THE MANNER
10 PRESCRIBED BY THE STATE RETIREMENT AGENCY WITHIN 15 DAYS AFTER THE
11 INDIVIDUAL'S FIRST DAY OF EMPLOYMENT.~~

~~12 (3) AN INDIVIDUAL WHO FAILS TO MAKE A SELECTION AS
13 REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL BE DEEMED TO
14 HAVE MADE SELECTION TWO (SEVEN PERCENT MEMBER CONTRIBUTIONS).~~

~~15 (4) THE SELECTION OF AN INDIVIDUAL UNDER PARAGRAPH (2)
16 OR (3) OF THIS SUBSECTION IS IRREVOCABLE AND NOT SUBJECT TO CHANGE.~~

~~17 23-222.~~

~~18 (A) A member who is subject to this part shall:~~

~~19 (1) receive an allowance for all creditable service as follows:~~

~~20 (i) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS
21 SECTION, for normal service retirement as provided in § 23-401(d) of this title;~~

~~22 (ii) for early service retirement as provided in § 23-402 of this
23 title;~~

~~24 (iii) for ordinary disability retirement as provided in § 29-108 of
25 this article; and~~

~~26 (iv) for accidental disability retirement as provided in § 29-110
27 of this article;~~

~~28 (2) have the allowance adjusted as provided in Title 29, Subtitle 4 of
29 this article; and~~

~~30 (3) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,
31 make the member contributions at the rate specified in § 23-212(e) of this subtitle.~~

1 ~~(B) A MEMBER WHO IS SUBJECT TO SELECTION ONE (FIVE PERCENT~~
2 ~~MEMBER CONTRIBUTIONS), AS DEFINED IN § 23-221(A) OF THIS SUBTITLE,~~
3 ~~SHALL RECEIVE AN ALLOWANCE FOR NORMAL SERVICE RETIREMENT AS~~
4 ~~PROVIDED IN § 23-401(F) OF THIS TITLE.~~

5 ~~(C) A MEMBER WHO IS SUBJECT TO SELECTION TWO (SEVEN PERCENT~~
6 ~~MEMBER CONTRIBUTIONS), AS DEFINED IN § 23-221(A) OF THIS SUBTITLE,~~
7 ~~SHALL MAKE MEMBER CONTRIBUTIONS AT THE RATE SPECIFIED IN § 23-212(D)~~
8 ~~OF THIS SUBTITLE.~~

9 23-223. RESERVED.

10 23-224. RESERVED.

11 PART IV. REFORMED CONTRIBUTORY PENSION BENEFIT.

12 23-225.

13 (A) THIS PART IV OF THIS SUBTITLE (REFORMED CONTRIBUTORY
14 PENSION BENEFIT) APPLIES TO:

15 (1) AN INDIVIDUAL WHO BECOMES A MEMBER OF THE
16 EMPLOYEES' PENSION SYSTEM OR THE TEACHERS' PENSION SYSTEM ON OR
17 AFTER JULY 1, 2011; AND

18 (2) A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR
19 TEACHERS' PENSION SYSTEM WHO SEPARATED FROM EMPLOYMENT ON OR
20 BEFORE JUNE 30, 2011, AND SUBSEQUENTLY BECOMES EMPLOYED IN A
21 POSITION ELIGIBLE FOR MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM
22 OR THE TEACHERS' PENSION SYSTEM ON OR AFTER JULY 1, 2011.

23 (B) THIS PART IV DOES NOT APPLY TO AN EMPLOYEE OF A
24 PARTICIPATING GOVERNMENTAL UNIT PARTICIPATING IN THE EMPLOYEES'
25 PENSION SYSTEM THAT HAS NOT ELECTED TO PARTICIPATE IN THE ALTERNATE
26 CONTRIBUTORY PENSION SELECTION UNDER § 31-116.1 OF THIS ARTICLE OR A
27 FORMER PARTICIPATING GOVERNMENTAL UNIT, OTHER THAN FREDERICK
28 COUNTY, THAT HAS WITHDRAWN FROM THE EMPLOYEES' PENSION SYSTEM.

29 23-226.

30 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A
31 MEMBER WHO IS SUBJECT TO THIS PART IV OF THIS SUBTITLE SHALL:

1 (1) RECEIVE AN ALLOWANCE FOR ALL CREDITABLE SERVICE AS
2 FOLLOWS:

3 (I) FOR NORMAL SERVICE RETIREMENT AS PROVIDED IN §
4 23-401(G) OF THIS TITLE;

5 (II) FOR EARLY SERVICE RETIREMENT AS PROVIDED IN §
6 23-402(C) OF THIS TITLE;

7 (III) FOR A VESTED ALLOWANCE AS PROVIDED IN §
8 29-303(H) OF THIS ARTICLE;

9 (IV) FOR ORDINARY DISABILITY RETIREMENT AS PROVIDED
10 IN § 29-108 OF THIS ARTICLE; AND

11 (V) FOR ACCIDENTAL DISABILITY RETIREMENT AS
12 PROVIDED IN § 29-110 OF THIS ARTICLE;

13 (2) HAVE THE ALLOWANCE ADJUSTED AS PROVIDED IN TITLE 29,
14 SUBTITLE 4, PART VII OF THIS ARTICLE; AND

15 (3) MAKE THE MEMBER CONTRIBUTIONS AT THE RATE SPECIFIED
16 IN § 23-212~~(E)~~(D) OF THIS SUBTITLE.

17 **(B) A MEMBER DESCRIBED IN § 23-225(A)(2) OF THIS SUBTITLE IS NOT**
18 **SUBJECT TO THIS PART IV OF THIS SUBTITLE WITH RESPECT TO THE SERVICE**
19 **CREDIT EARNED IN THE MEMBER'S PREVIOUS MEMBERSHIP.**

20 23-401.

21 (a) [A] EXCEPT AS PROVIDED IN SUBSECTION ~~(G)~~ (F) OF THIS SECTION,
22 A member may retire with a normal service retirement allowance if:

23 (1) the member completes and submits a written application to the
24 Board of Trustees stating the date when the member desires to retire; and

25 (2) on or before the date of retirement, the member:

26 (i) has at least 30 years of eligibility service;

27 (ii) has a combined total of at least 30 years of eligibility service
28 from the Employees' Pension System, the Teachers' Pension System, the Employees'
29 Retirement System, or the Teachers' Retirement System; or

1 (iii) has attained the age and the years of eligibility service as
 2 follows:

3 Age	Years of Eligibility 4 Service
5 62 with	5
6 63 with	4
7 64 with	3
8 65 or more with	2

9 (b) Except as provided in subsections (c), (d), [and] (e), ~~AND (F), AND (G)~~ of
 10 this section, on retirement under this section, a member is entitled to receive a normal
 11 service retirement allowance that equals the number of years of the member's
 12 creditable service multiplied by:

13 (1) 0.8% of the member's average final compensation that is not in
 14 excess of the Social Security integration level; and

15 (2) 1.5% of the member's average final compensation that exceeds the
 16 Social Security integration level.

17 ~~(d) Except as provided in [subsection] SUBSECTIONS (e) AND (F) of this~~
 18 ~~section, a member who is subject to the Alternate Contributory Pension Selection~~
 19 ~~under Subtitle 2, Part III of this title is entitled to receive a normal service retirement~~
 20 ~~allowance that equals the sum of:~~

21 ~~(1) the greater of:~~

22 ~~(i) the number of years of the member's creditable service on or~~
 23 ~~before June 30, 1998 multiplied by 1.2% of the member's average final compensation;~~
 24 ~~or~~

25 ~~(ii) the number of years of the member's creditable service on or~~
 26 ~~before June 30, 1998 multiplied by:~~

27 ~~1. 0.8% of the member's average final compensation that~~
 28 ~~is not in excess of the Social Security integration level; and~~

29 ~~2. 1.5% of the member's average final compensation that~~
 30 ~~exceeds the Social Security integration level; and~~

31 ~~(2) the number of years of the member's creditable service on or after~~
 32 ~~July 1, 1998 multiplied by 1.8% of the member's average final compensation.~~

33 ~~(F) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A~~
 34 ~~MEMBER WHO IS SUBJECT TO SELECTION ONE (FIVE PERCENT MEMBER~~

1 ~~CONTRIBUTIONS) UNDER § 23-221 OF THIS SUBTITLE IS ENTITLED TO RECEIVE~~
 2 ~~A NORMAL SERVICE RETIREMENT ALLOWANCE THAT EQUALS THE SUM OF:~~

3 ~~(1) THE GREATER OF:~~

4 ~~(I) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE~~
 5 ~~SERVICE ON OR BEFORE JUNE 30, 1998, MULTIPLIED BY 1.2% OF THE~~
 6 ~~MEMBER'S AVERAGE FINAL COMPENSATION; OR~~

7 ~~(II) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE~~
 8 ~~SERVICE ON OR BEFORE JUNE 30, 1998, MULTIPLIED BY:~~

9 ~~1. 0.8% OF THE MEMBER'S AVERAGE FINAL~~
 10 ~~COMPENSATION THAT IS NOT IN EXCESS OF THE SOCIAL SECURITY~~
 11 ~~INTEGRATION LEVEL; AND~~

12 ~~2. 1.5% OF THE MEMBER'S AVERAGE FINAL~~
 13 ~~COMPENSATION THAT EXCEEDS THE SOCIAL SECURITY INTEGRATION LEVEL;~~

14 ~~(2) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE~~
 15 ~~SERVICE FROM JULY 1, 1998, TO JUNE 30, 2011, MULTIPLIED BY 1.8% OF THE~~
 16 ~~MEMBER'S AVERAGE FINAL COMPENSATION; AND~~

17 ~~(3) THE NUMBER OF YEARS OF THE MEMBER'S CREDITABLE~~
 18 ~~SERVICE ON OR AFTER JULY 1, 2011, MULTIPLIED BY 1.5% OF THE MEMBER'S~~
 19 ~~AVERAGE FINAL COMPENSATION.~~

20 ~~(G)~~ (F) (1) A MEMBER WHO IS SUBJECT TO THE REFORMED
 21 CONTRIBUTORY PENSION BENEFIT UNDER SUBTITLE 2, PART IV OF THIS TITLE
 22 MAY RETIRE WITH A NORMAL SERVICE RETIREMENT ALLOWANCE IF:

23 (I) THE MEMBER COMPLETES AND SUBMITS A WRITTEN
 24 APPLICATION TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE
 25 MEMBER DESIRES TO RETIRE; AND

26 (II) ON OR BEFORE THE DATE OF RETIREMENT, THE
 27 MEMBER:

28 1. HAS AT LEAST 30 YEARS OF ELIGIBILITY SERVICE;
 29 OR

30 2. IS AT LEAST 65 YEARS OLD AND HAS 10 YEARS OF
 31 ELIGIBILITY SERVICE.

1 **(2) ON RETIREMENT UNDER THIS SUBSECTION, A MEMBER WHO**
2 **IS SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER**
3 **SUBTITLE 2, PART IV OF THIS TITLE IS ENTITLED TO RECEIVE A NORMAL**
4 **SERVICE RETIREMENT THAT EQUALS THE NUMBER OF YEARS OF THE MEMBER'S**
5 **CREDITABLE SERVICE MULTIPLIED BY 1.5% OF THE MEMBER'S AVERAGE FINAL**
6 **COMPENSATION.**

7 23–402.

8 **(a) [A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A**
9 **member may retire with an early service retirement allowance if:**

10 **(1) the member completes and submits a written application to the**
11 **Board of Trustees stating the date when the member desires to retire; and**

12 **(2) on or before the date of retirement, the member:**

13 **(i) has at least 15 years but less than 30 years of eligibility**
14 **service; and**

15 **(ii) is at least 55 but less than 62 years old.**

16 **(b) A MEMBER WHO IS SUBJECT TO THE REFORMED CONTRIBUTORY**
17 **PENSION BENEFIT UNDER SUBTITLE 2, PART IV OF THIS TITLE MAY RETIRE**
18 **WITH AN EARLY SERVICE RETIREMENT ALLOWANCE IF:**

19 **(1) THE MEMBER COMPLETES AND SUBMITS A WRITTEN**
20 **APPLICATION TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE**
21 **MEMBER DESIRES TO RETIRE; AND**

22 **(2) ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER:**

23 **(I) HAS AT LEAST 15 YEARS OF ELIGIBILITY SERVICE; AND**

24 **(II) IS AT LEAST 60 YEARS OLD.**

25 **(c) (1) [On] EXCEPT A PROVIDED IN PARAGRAPH (2) OF THIS**
26 **SUBSECTION, retirement under this section, a member is entitled to receive an early**
27 **service retirement allowance that equals the normal service retirement allowance**
28 **under § 23–401 of this subtitle, reduced by 0.5% for each month that the member's**
29 **early retirement date precedes the date the member will be 62 years old.**

30 **(2) ON RETIREMENT UNDER THIS SECTION, A MEMBER WHO IS**
31 **SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER**
32 **SUBTITLE 2, PART IV OF THIS TITLE IS ENTITLED TO RECEIVE AN EARLY**

1 SERVICE RETIREMENT ALLOWANCE THAT EQUALS THE NORMAL SERVICE
 2 RETIREMENT ALLOWANCE UNDER § 23-401(G) OF THIS SUBTITLE, REDUCED BY
 3 0.5% FOR EACH MONTH THAT THE MEMBER'S EARLY RETIREMENT DATE
 4 PRECEDES THE DATE THE MEMBER WILL BE 65 YEARS OLD.

5 24-401.

6 (a) (1) (I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL WHO IS A
 7 MEMBER ON OR BEFORE JUNE 30, 2011.

8 (II) A member may retire with a normal service retirement
 9 allowance if:

10 [(1)] 1. on or before the date of retirement, the member:

11 [(i)] A. has at least 22 years of eligibility service; or

12 [(ii)] B. is at least 50 years old; and

13 [(2)] 2. the member completes and submits a written
 14 application to the Board of Trustees, on the form that the Board of Trustees provides,
 15 stating the date when the member desires to retire.

16 (2) (I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL WHO
 17 BECOMES A MEMBER ON OR AFTER JULY 1, 2011.

18 (II) A MEMBER MAY RETIRE WITH A NORMAL SERVICE
 19 RETIREMENT ALLOWANCE IF:

20 1. ON OR BEFORE THE DATE OF RETIREMENT, THE
 21 MEMBER:

22 A. HAS AT LEAST 25 YEARS OF ELIGIBILITY SERVICE;
 23 OR

24 B. IS AT LEAST 50 YEARS OLD; AND

25 2. THE MEMBER COMPLETES AND SUBMITS A
 26 WRITTEN APPLICATION TO THE BOARD OF TRUSTEES, ON THE FORM THAT THE
 27 BOARD OF TRUSTEES PROVIDES, STATING THE DATE WHEN THE MEMBER
 28 DESIRES TO RETIRE.

29 24-401.1.

1 (c) (1) **(I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL WHO IS A**
 2 **MEMBER OF THE STATE POLICE RETIREMENT SYSTEM ON OR BEFORE JUNE 30,**
 3 **2011.**

4 **(II) Except for the Secretary of State Police, a member of the**
 5 **State Police Retirement System is eligible to participate in the DROP if the member:**

6 ~~(i)~~ **1. has at least 22 and less than 28 years of eligibility**
 7 **service; ~~and~~**

8 ~~(ii)~~ **2. is less than 60 years old; ~~AND~~**

9 ~~(iii)~~ **~~HAS AT LEAST 5 YEARS OF ELIGIBILITY SERVICE AS OF~~**
 10 **~~JULY 1, 2011.~~**

11 ~~(2)~~ **(III) The Secretary of State Police is eligible to participate in the**
 12 **DROP if the Secretary has at least 22 years of eligibility service ~~AND HAS AT LEAST 5~~**
 13 **~~YEARS OF ELIGIBILITY SERVICE AS OF JULY 1, 2011.~~**

14 **(2) (I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL WHO**
 15 **BECOMES A MEMBER OF THE STATE POLICE RETIREMENT SYSTEM ON OR**
 16 **AFTER JULY 1, 2011.**

17 **(II) EXCEPT FOR THE SECRETARY OF STATE POLICE, A**
 18 **MEMBER OF THE STATE POLICE RETIREMENT SYSTEM IS ELIGIBLE TO**
 19 **PARTICIPATE IN THE DROP IF THE MEMBER:**

20 **1. HAS AT LEAST 25 YEARS AND NOT LESS THAN 29**
 21 **YEARS OF ELIGIBILITY SERVICE; AND**

22 **2. IS LESS THAN 60 YEARS OLD.**

23 **(III) THE SECRETARY OF STATE POLICE IS ELIGIBLE TO**
 24 **PARTICIPATE IN THE DROP IF THE SECRETARY HAS AT LEAST 25 YEARS OF**
 25 **ELIGIBILITY SERVICE.**

26 (d) **An eligible member may elect to participate in the DROP for a period not**
 27 **to exceed the lesser of:**

28 (1) **4 years;**

29 (2) **(I) the difference between 28 years and the member's eligibility**
 30 **service as of the date of the member's election to participate in the DROP and retire**
 31 **from the State Police Retirement System, IF THE MEMBER IS A MEMBER OF THE**
 32 **STATE POLICE RETIREMENT SYSTEM ON OR BEFORE JUNE 30, 2011; OR**

1 **(II) THE DIFFERENCE BETWEEN 29 YEARS AND THE**
2 **MEMBER'S ELIGIBILITY SERVICE AS OF THE DATE OF THE MEMBER'S ELECTION**
3 **TO PARTICIPATE IN THE DROP AND RETIRE FROM THE STATE POLICE**
4 **RETIREMENT SYSTEM, IF THE MEMBER BECOMES A MEMBER OF THE STATE**
5 **POLICE RETIREMENT SYSTEM ON OR AFTER JULY 1, 2011;**

6 (3) the difference between age 60 and the member's age as of the date
7 of the member's election to participate in the DROP and retire from the State Police
8 Retirement System; or

9 (4) a term selected by the member.

10 (h) (2) During the period that a DROP member participates in the DROP,
11 the Board of Trustees shall:

12 (i) deposit the DROP member's normal service retirement
13 allowance in the DROP for the DROP member's benefit;

14 (ii) adjust the DROP member's normal service retirement
15 allowance each fiscal year as provided in Title 29, Subtitle 4, Part III of this article;
16 and

17 (iii) accrue interest on the amounts calculated under items (i)
18 and (ii) of this paragraph for the DROP member into the DROP at the rate of:

19 1. 6% a year, compounded monthly IF THE INDIVIDUAL
20 IS A DROP MEMBER ON OR BEFORE JUNE 30, 2011; OR

21 2. 4% A YEAR, COMPOUNDED ANNUALLY, IF THE
22 INDIVIDUAL BECOMES A DROP MEMBER ON OR AFTER JULY 1, 2011.

23 26-204.

24 (a) Except as provided in subsection (b) of this section, a member's
25 contribution rate is:

26 (1) 4% of the member's earnable compensation RECEIVED BEFORE
27 JULY 1, 2011;

28 (2) 6% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED
29 FROM JULY 1, 2011 TO JUNE 30, 2012, BOTH INCLUSIVE; AND

30 (3) 7% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED
31 ON OR AFTER JULY 1, 2012.

1 26-401.1.

2 ~~(e) (1) In this subsection, "creditable service" does not include credit for~~
3 ~~unused sick leave as provided in § 20-206 of this article.~~

4 ~~(2) A member of the Law Enforcement Officers' Pension System is~~
5 ~~eligible to participate in the DROP if the member has at least 25 and less than 30~~
6 ~~years of creditable service AND HAS AT LEAST 5 YEARS OF CREDITABLE SERVICE~~
7 ~~ON OR BEFORE JULY 1, 2011.~~

8 (h) (2) During the period that a DROP member participates in the DROP,
9 the Board of Trustees shall:

10 (i) deposit the DROP member's normal service retirement
11 allowance in the DROP for the DROP member's benefit;

12 (ii) adjust the DROP member's normal service retirement
13 allowance each fiscal year as provided in Title 29, Subtitle 4, Part VI of this article;
14 and

15 (iii) accrue interest on the amounts calculated under
16 subparagraphs (i) and (ii) of this paragraph for the DROP member into the DROP at
17 the rate of:

18 1. 6% a year, compounded monthly IF THE INDIVIDUAL
19 IS A DROP MEMBER ON OR BEFORE JUNE 30, 2011; OR

20 2. 4% A YEAR, COMPOUNDED ANNUALLY, IF THE
21 INDIVIDUAL BECOMES A DROP MEMBER ON OR AFTER JULY 1, 2011.

22 27-202.

23 (a) Except as provided in ~~{subsection}~~ **SUBSECTIONS** (b) ~~AND (c)~~ of this
24 section, a member's contribution rate is:

25 **(1) 6% of the member's earnable compensation RECEIVED BEFORE**
26 **JULY 1, 2011; AND**

27 **(2) 8% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**
28 **ON OR AFTER JULY 1, 2011.**

29 ~~(b) THE CONTRIBUTION RATE FOR AN INDIVIDUAL WHO BECOMES A~~
30 ~~MEMBER ON OR AFTER JULY 1, 2011, IS 8% OF THE MEMBER'S EARNABLE~~
31 ~~COMPENSATION.~~

1 ~~(c)~~ After 16 years of service as a member, a member does not make any
2 further contributions.

3 29-302.

4 (a) This section applies only to members of:

5 (1) the Correctional Officers' Retirement System;

6 (2) the Employees' Retirement System;

7 (3) the State Police Retirement System; and

8 (4) the Teachers' Retirement System.

9 (b) (1) **THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO IS A**
10 **MEMBER ON OR BEFORE JUNE 30, 2011.**

11 (2) A member may elect to receive a vested allowance if:

12 (i) the member is separated from employment other than by
13 death or retirement; and

14 (ii) subject to paragraph [(2)] (3) of this subsection, the member
15 has at least 5 years of eligibility service.

16 **[(2)] (3)** A former member of the State Police Retirement System
17 who separated from employment on or before June 30, 1989, must have at least 15
18 years of eligibility service to elect a vested allowance.

19 **[(3)] (4)** A member is deemed to have elected a vested allowance,
20 unless the member requests the return of the accumulated contributions before
21 membership ends.

22 **(B-1) (1) THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO BECOMES**
23 **A MEMBER ON OR AFTER JULY 1, 2011.**

24 **(2) A MEMBER IS ELIGIBLE TO RECEIVE A VESTED ALLOWANCE**
25 **IF:**

26 **(I) THE MEMBER SEPARATED FROM EMPLOYMENT OTHER**
27 **THAN BY DEATH OR RETIREMENT; AND**

28 **(II) THE MEMBER HAS AT LEAST 10 YEARS OF ELIGIBILITY**
29 **SERVICE.**

1 29-303.

2 (a) This section applies only to members of:

3 (1) the Employees' Pension System;

4 (2) the Local Fire and Police System;

5 (3) the Law Enforcement Officers' Pension System; or

6 (4) the Teachers' Pension System.

7 (b) **(1) [A] ~~EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS~~**
 8 **SECTION, A THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO IS A MEMBER**
 9 **ON OR BEFORE JUNE 30, 2011.**

10 **(2) A member is eligible to receive a vested allowance if:**

11 ~~(1)~~ **(I) the member separated from employment other than by**
 12 **death or retirement; and**

13 ~~(2)~~ **(II) the member has at least 5 years of eligibility service.**

14 **(B-1) (1) THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO BECOMES**
 15 **A MEMBER ON OR AFTER JULY 1, 2011.**

16 **(2) A MEMBER IS ELIGIBLE TO RECEIVE A VESTED ALLOWANCE**
 17 **IF:**

18 **(I) THE MEMBER SEPARATED FROM EMPLOYMENT OTHER**
 19 **THAN BY DEATH OR RETIREMENT; AND**

20 **(II) THE MEMBER HAS AT LEAST 10 YEARS OF ELIGIBILITY**
 21 **SERVICE.**

22 ~~(e) Except as provided in subsections (c), (f), [and] (g), AND (H) of this~~
 23 ~~section, a vested allowance:~~

24 ~~(1) is a deferred allowance that begins at normal retirement age;~~

25 ~~(2) is computed as a normal service retirement allowance on the basis~~
 26 ~~of the member's average final compensation and eligibility service at separation from~~
 27 ~~employment; and~~

28 ~~(3) may be paid in one of the optional forms of allowances under §~~
 29 ~~21-403 of this article.~~

1 ~~(c) Except as provided in [subsection] SUBSECTIONS (f) AND (H) of this~~
 2 ~~section, a former member of the Employees' Pension System or the Teachers' Pension~~
 3 ~~System who has separated from employment before the age of 55 with at least 15~~
 4 ~~years of eligibility service is eligible to receive a vested allowance that:~~

5 ~~(1) begins on the first day of the month following the member's 55th~~
 6 ~~birthday; and~~

7 ~~(2) equals the reduced allowance computed under § 23 402 of this~~
 8 ~~article.~~

9 ~~(H) (1) A MEMBER WHO IS SUBJECT TO THE REFORMED~~
 10 ~~CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF~~
 11 ~~THIS ARTICLE IS ELIGIBLE TO RECEIVE A VESTED ALLOWANCE IF:~~

12 ~~(I) THE MEMBER SEPARATED FROM EMPLOYMENT OTHER~~
 13 ~~THAN BY DEATH OR RETIREMENT; AND~~

14 ~~(II) THE MEMBER HAS AT LEAST 10 YEARS OF ELIGIBILITY~~
 15 ~~SERVICE.~~

16 ~~(2) A VESTED ALLOWANCE UNDER THIS SUBSECTION:~~

17 ~~(I) IS A DEFERRED ALLOWANCE THAT MAY BEGIN NO~~
 18 ~~EARLIER THAN NORMAL RETIREMENT AGE;~~

19 ~~(II) IS COMPUTED AS A NORMAL SERVICE RETIREMENT~~
 20 ~~ALLOWANCE ON THE BASIS OF THE MEMBER'S AVERAGE FINAL COMPENSATION~~
 21 ~~AND ELIGIBILITY SERVICE AT SEPARATION FROM EMPLOYMENT; AND~~

22 ~~(III) MAY BE PAID IN ONE OF THE OPTIONAL FORMS OF~~
 23 ~~ALLOWANCES UNDER § 21 403 OF THIS ARTICLE.~~

24 ~~(3) TO COMMENCE RECEIVING A VESTED ALLOWANCE UNDER~~
 25 ~~THIS SUBSECTION, AN INDIVIDUAL SHALL COMPLETE AND SUBMIT A WRITTEN~~
 26 ~~APPLICATION TO THE BOARD OF TRUSTEES.~~

27 ~~(4) AN INDIVIDUAL MAY NOT RECEIVE A VESTED ALLOWANCE~~
 28 ~~FOR THE PERIOD BEFORE THE INDIVIDUAL SUBMITTED A COMPLETED~~
 29 ~~APPLICATION TO THE BOARD OF TRUSTEES.~~

1 (a) **(1) [This] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
 2 **SUBSECTION, THIS Part III applies only to an allowance received by:**

3 **[(1)] (I) a former member, retiree, or surviving spouse of a member:**

4 **[(i)] 1. of the Correctional Officers' Retirement System;**

5 **[(ii)] 2. of the Employees' Retirement System or the Teachers'**
 6 **Retirement System who elected Selection A (Additional member contributions);**

7 **[(iii)] 3. of the State Police Retirement System;**

8 **[(iv)] 4. who transferred to the Local Fire and Police System**
 9 **from the Employees' Retirement System; or**

10 **[(v)] 5. who transferred to the Law Enforcement Officers'**
 11 **Pension System from the Employees' Retirement System and had elected Selection A**
 12 **(Additional member contributions); or**

13 **[(2)] (II) a surviving beneficiary of a deceased former member or**
 14 **retiree described in item [(1)](I) of this [subsection] PARAGRAPH.**

15 **(2) THIS PART III APPLIES ONLY TO AN ALLOWANCE BASED ON**
 16 **CREDITABLE SERVICE EARNED BEFORE JULY 1, 2011, FOR A FORMER MEMBER,**
 17 **RETIREE, SURVIVING SPOUSE OF A MEMBER, OR A SURVIVING BENEFICIARY OF**
 18 **A DECEASED FORMER MEMBER OR RETIREE:**

19 **(I) OF THE CORRECTIONAL OFFICERS' RETIREMENT**
 20 **SYSTEM; OR**

21 **(II) OF THE STATE POLICE RETIREMENT SYSTEM.**

22 (b) This Part III does not apply to:

23 (1) benefits paid in a single payment;

24 (2) the return of accumulated contributions; or

25 (3) benefits attributable to additional contributions.

26 29-425.

27 (a) This Part VI of this subtitle applies:

1 (1) on or after July 1, 1998 only to an allowance **BASED ON**
2 **CREDITABLE SERVICE EARNED BEFORE JULY 1, 2011, AND** received by a former
3 member, retiree, or surviving beneficiary of a deceased member, former member, or
4 retiree of the Employees' Pension System or the Teachers' Pension System; and

5 (2) on or after December 31, 2000, to an allowance **BASED ON**
6 **CREDITABLE SERVICE EARNED BEFORE JULY 1, 2011, AND** received by a former
7 member, retiree, or surviving beneficiary of a deceased member, former member, or
8 retiree of the Law Enforcement Officers' Pension System.

9 (b) This Part VI of this subtitle does not apply if:

10 (1) the member, former member, or retiree was an employee of:

11 (i) a participating governmental unit that has not elected the
12 contributory pension benefit or the Alternate Contributory Pension Selection of its
13 employees under § 31-116 of this article; or

14 (ii) a former participating governmental unit, other than
15 Frederick County, that has withdrawn before July 1, 1998, while a member; or

16 (2) the member, former member, or retiree:

17 (i) transferred to the Law Enforcement Officers' Pension
18 System from the Employees' Retirement System; and

19 (ii) did not elect to participate in the Law Enforcement Officers'
20 Modified Pension Benefit on or before December 31, 2000 as provided in § 26-211 of
21 this article.

22 **29-428. RESERVED.**

23 **29-429. RESERVED.**

24 **PART VII. THREE/ONE PERCENT COMPOUND ADJUSTMENT.**

25 **29-430.**

26 **THIS PART VII OF THIS SUBTITLE (THREE/ONE PERCENT COMPOUND**
27 **ADJUSTMENT) APPLIES TO AN ALLOWANCE RECEIVED BY A FORMER MEMBER,**
28 **RETIREE, OR SURVIVING BENEFICIARY OF A DECEASED MEMBER, FORMER**
29 **MEMBER, OR RETIREE OF THE EMPLOYEES' PENSION SYSTEM OR THE**
30 **TEACHERS' PENSION SYSTEM WHO IS SUBJECT TO THE REFORMED**
31 **CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF**
32 **THIS ARTICLE.**

1 **29-431.**

2 **EACH FISCAL YEAR, THE BOARD OF TRUSTEES SHALL ADJUST EACH**
3 **ALLOWANCE AS PROVIDED IN THIS PART VII OF THIS SUBTITLE.**

4 **29-432.**

5 **(A) EACH FISCAL YEAR, THE BOARD OF TRUSTEES SHALL ADJUST AN**
6 **ALLOWANCE BY MULTIPLYING THE ALLOWANCE FOR THE PRECEDING FISCAL**
7 **YEAR, EXCLUSIVE OF ANY ADDITIONAL VOLUNTARY ANNUITY, BY A RATE THAT:**

8 **(1) IS OBTAINED BY DIVIDING THE CONSUMER PRICE INDEX FOR**
9 **THE CALENDAR YEAR ENDING DECEMBER 31 IN THE PRECEDING FISCAL YEAR**
10 **BY THE CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER**
11 **31 IN THE SECOND PRECEDING FISCAL YEAR; AND**

12 **(2) DOES NOT EXCEED:**

13 **(I) 3%, IF FOR THE CALENDAR YEAR ENDING DECEMBER 31**
14 **IN THE PRECEDING FISCAL YEAR, THE TOTAL INVESTMENT PERFORMANCE OF**
15 **THE SEVERAL SYSTEMS EQUALS OR EXCEEDS THE ASSUMED RATE OF**
16 **INVESTMENT RETURN ESTABLISHED BY THE BOARD OF TRUSTEES IN**
17 **ACCORDANCE WITH § 21-125(C) OF THIS ARTICLE; OR**

18 **(II) 1%, IF FOR THE CALENDAR YEAR ENDING DECEMBER 31**
19 **IN THE PRECEDING FISCAL YEAR, THE TOTAL INVESTMENT PERFORMANCE OF**
20 **THE SEVERAL SYSTEMS DOES NOT EQUAL OR EXCEED THE ASSUMED RATE OF**
21 **INVESTMENT RETURN ESTABLISHED BY THE BOARD OF TRUSTEES IN**
22 **ACCORDANCE WITH § 21-125(C) OF THIS ARTICLE.**

23 **(B) THE ADJUSTMENT UNDER SUBSECTION (A) OF THIS SECTION SHALL**
24 **BEGIN THE SECOND JULY 1 AFTER THE DAY PRECEDING THE RETIREE'S DATE**
25 **OF RETIREMENT OR THE FORMER MEMBER'S EFFECTIVE DATE FOR RECEIPT OF**
26 **A VESTED ALLOWANCE.**

27 **(C) (1) ~~THE~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
28 **SUBSECTION, THE TOTAL ALLOWANCE PAYABLE IN EACH FISCAL YEAR SHALL**
29 **BE THE SUM OF:**

30 **~~(1)~~ (I) THE ANNUAL RATE OF ALLOWANCE PAID DURING THE**
31 **PRECEDING FISCAL YEAR;**

32 **~~(2)~~ (II) THE ADJUSTMENT IN ALLOWANCE PROVIDED FOR**
33 **UNDER THIS SECTION; AND**

1 ~~(3)~~ (III) ANY ADDITIONAL ANNUITY.

2 (2) (I) IN THIS PARAGRAPH, “ZERO-ADJUSTMENT FISCAL
3 YEAR” MEANS ANY FISCAL YEAR WHEN THE ALLOWANCE ADJUSTED AS
4 PROVIDED IN SUBSECTION (A) OF THIS SECTION IS LESS THAN THE ALLOWANCE
5 PAID FOR THE PRECEDING FISCAL YEAR.

6 (II) FOR ANY FISCAL YEAR, THE ALLOWANCE PAYABLE MAY
7 NOT BE LESS THAN THE ALLOWANCE PAID FOR THE PRECEDING FISCAL YEAR.

8 (III) 1. THIS SUBPARAGRAPH APPLIES ONLY TO A FISCAL
9 YEAR THAT IS NOT A ZERO-ADJUSTMENT FISCAL YEAR.

10 2. SUBJECT TO SUBSUBPARAGRAPH 3 OF THIS
11 SUBPARAGRAPH:

12 A. FOR A FISCAL YEAR THAT FOLLOWS IMMEDIATELY
13 AFTER A ZERO-ADJUSTMENT FISCAL YEAR, THE ALLOWANCE PAYABLE AS
14 PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL BE REDUCED BY THE
15 DIFFERENCE BETWEEN THE ALLOWANCE PAID IN THE PRECEDING FISCAL YEAR
16 AND THE ALLOWANCE THAT WOULD HAVE BEEN PAYABLE FOR THE PRECEDING
17 FISCAL YEAR IF THE ALLOWANCE FOR THAT FISCAL YEAR HAD BEEN
18 CALCULATED WITHOUT REGARD TO SUBPARAGRAPH (II) OF THIS PARAGRAPH;
19 AND

20 B. FOR A FISCAL YEAR THAT FOLLOWS IMMEDIATELY
21 AFTER 2 OR MORE CONSECUTIVE ZERO-ADJUSTMENT FISCAL YEARS, THE
22 ALLOWANCE PAYABLE AS PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION
23 SHALL BE REDUCED BY THE DIFFERENCE BETWEEN THE TOTAL OF THE
24 ALLOWANCES PAID IN EACH CONSECUTIVE ZERO-ADJUSTMENT FISCAL YEAR
25 PRECEDING THE FISCAL YEAR AND THE TOTAL ALLOWANCES THAT WOULD
26 HAVE BEEN PAYABLE FOR EACH OF THOSE FISCAL YEARS IF THE ALLOWANCE
27 FOR EACH OF THOSE FISCAL YEARS HAD BEEN CALCULATED WITHOUT REGARD
28 TO SUBPARAGRAPH (II) OF THIS PARAGRAPH.

29 3. IF THE AMOUNT OF THE REDUCTION REQUIRED
30 FOR ANY FISCAL YEAR UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH
31 EXCEEDS THE DIFFERENCE BETWEEN THE ALLOWANCE AS PROVIDED IN
32 PARAGRAPH (1) OF THIS SUBSECTION FOR THE FISCAL YEAR AND THE
33 ALLOWANCE PAID IN THE PRECEDING FISCAL YEAR, THE EXCESS SHALL BE
34 DEDUCTED IN FUTURE YEARS, SUBJECT TO SUBPARAGRAPH (II) OF THIS
35 PARAGRAPH, UNTIL THE DIFFERENCE IS FULLY RECOVERED.

1 29-433. RESERVED.

2 29-434. RESERVED.

3 PART VIII. THREE/ONE PERCENT COMPOUND COMBINATION ADJUSTMENT.

4 29-435.

5 (A) THIS PART VIII APPLIES ONLY TO AN ALLOWANCE BASED ON
6 CREDITABLE SERVICE EARNED ON OR AFTER JULY 1, 2011, FOR:

7 (1) A FORMER MEMBER, RETIREE, OR SURVIVING SPOUSE OF A
8 MEMBER OF:

9 (I) THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM;

10 (II) THE EMPLOYEES' PENSION SYSTEM;

11 (III) THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM;

12 (IV) THE STATE POLICE RETIREMENT SYSTEM; OR

13 (V) THE TEACHERS' PENSION SYSTEM; OR

14 (2) A BENEFICIARY OF THE RETIREE OR FORMER MEMBER
15 DESCRIBED IN ITEM (1) OF THIS SUBSECTION.

16 (B) THIS PART VIII OF THIS SUBTITLE DOES NOT APPLY IF:

17 (1) THE MEMBER, FORMER MEMBER, OR RETIREE WAS:

18 (I) SUBJECT TO THE REFORMED CONTRIBUTORY PENSION
19 BENEFIT;

20 (II) AN EMPLOYEE OF A PARTICIPATING GOVERNMENTAL
21 UNIT THAT HAS NOT ELECTED THE CONTRIBUTORY PENSION BENEFIT OR THE
22 ALTERNATE CONTRIBUTORY PENSION SELECTION OF ITS EMPLOYEES UNDER §
23 31-116 OF THIS ARTICLE; OR

24 (III) AN EMPLOYEE OF A FORMER PARTICIPATING
25 GOVERNMENTAL UNIT, OTHER THAN FREDERICK COUNTY, THAT HAS
26 WITHDRAWN BEFORE JULY 1, 1998, WHILE A MEMBER; OR

27 (2) THE MEMBER, FORMER MEMBER, OR RETIREE:

1 (I) TRANSFERRED TO THE LAW ENFORCEMENT OFFICERS'
2 PENSION SYSTEM FROM THE EMPLOYEES' RETIREMENT SYSTEM; AND

3 (II) DID NOT ELECT TO PARTICIPATE IN THE LAW
4 ENFORCEMENT OFFICERS' MODIFIED PENSION BENEFIT ON OR BEFORE
5 DECEMBER 31, 2000, AS PROVIDED IN § 26-211 OF THIS ARTICLE.

6 29-436.

7 EXCEPT AS PROVIDED IN SUBSECTIONS (B) AND (C) OF THIS SECTION, THE
8 BOARD OF TRUSTEES SHALL ADJUST AN ALLOWANCE DESCRIBED IN § 29-435
9 OF THIS SUBTITLE:

10 (1) FOR CREDITABLE SERVICE EARNED BEFORE JULY 1, 2011, AS
11 PROVIDED BY PART VI OF THIS SUBTITLE; AND

12 (2) FOR CREDITABLE SERVICE ON OR AFTER JULY 1, 2011, AS
13 PROVIDED BY PART VII OF THIS SUBTITLE.

14 31-116.2.

15 (A) (1) ~~THIS~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
16 SUBSECTION, THIS SECTION APPLIES TO AN INDIVIDUAL WHO BECOMES AN
17 EMPLOYEE OF A PARTICIPATING GOVERNMENTAL UNIT ON OR AFTER JULY 1,
18 2011.

19 (2) THIS SECTION DOES NOT APPLY TO AN INDIVIDUAL WHO
20 BECOMES AN EMPLOYEE OF:

21 (I) A PARTICIPATING GOVERNMENTAL UNIT THAT ON JULY
22 1, 2011, IS PARTICIPATING IN THE EMPLOYEES' PENSION SYSTEM AND HAS NOT
23 ELECTED TO PARTICIPATE IN THE ALTERNATE CONTRIBUTORY PENSION
24 SELECTION UNDER § 31-116.1 OF THIS ARTICLE; OR

25 (II) A FORMER PARTICIPATING GOVERNMENTAL UNIT,
26 OTHER THAN FREDERICK COUNTY, THAT HAS WITHDRAWN FROM THE
27 EMPLOYEES' PENSION SYSTEM ON OR BEFORE JUNE 30, 2011.

28 (B) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION IS
29 SUBJECT TO THE REFORMED CONTRIBUTORY PENSION BENEFIT UNDER TITLE
30 23, SUBTITLE 2, PART IV OF THIS ARTICLE.

31 34-101.

1 (d) [For fiscal year 2013 and each fiscal year thereafter, the following funds
2 shall be deposited into the Postretirement Health Benefits Trust Fund:

3 (1) any subsidy received by the State that is provided to employers as
4 a result of the federal Medicare Prescription Drug, Improvement, and Modernization
5 Act of 2003, or similar federal subsidy received as a result of the State's prescription
6 drug program; and

7 (2) **THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND**
8 **SHALL CONSIST OF** any funds appropriated to the Postretirement Health Benefits
9 Trust Fund, whether directly or through the budgets of any State agency.

10 37-101.

11 (j) (1) “Noncontributory system” means a State or local retirement or
12 pension system under which member contributions are not deducted from all
13 compensation.

14 (2) “Noncontributory system” includes the part of the Employees’
15 Pension System of the State of Maryland and the part of the Teachers’ Pension System
16 of the State of Maryland that does not provide a contributory pension benefit under
17 Title 23, Subtitle 2, Part II of this article or the Alternate Contributory Pension
18 Selection under Title 23, Subtitle 2, Part III of this article OR THE REFORMED
19 CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF
20 THIS ARTICLE.

21 **(R-1) “STATE REFORMED CONTRIBUTORY EMPLOYEES’ PENSION**
22 **SYSTEM” MEANS THE PART OF THE EMPLOYEES’ PENSION SYSTEM OF THE**
23 **STATE OF MARYLAND THAT PROVIDES THE REFORMED CONTRIBUTORY**
24 **PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF THIS ARTICLE.**

25 **(R-2) “STATE REFORMED CONTRIBUTORY TEACHERS’ PENSION**
26 **SYSTEM” MEANS THE PART OF THE TEACHERS’ PENSION SYSTEM OF THE**
27 **STATE OF MARYLAND THAT PROVIDES THE REFORMED CONTRIBUTORY**
28 **PENSION BENEFIT UNDER TITLE 23, SUBTITLE 2, PART IV OF THIS ARTICLE.**

29 37-203.

30 (a) This section does not apply to a transfer of service credit to or from the
31 State Alternate Contributory Employees’ Pension System, the State Alternate
32 Contributory Teachers’ Pension System, the State Contributory Employees’ Pension
33 System, the State Contributory Law Enforcement Officers’ Pension System, [or] the
34 State Contributory Teachers’ Pension System, THE STATE REFORMED
35 CONTRIBUTORY EMPLOYEES’ PENSION SYSTEM, OR THE STATE REFORMED
36 CONTRIBUTORY TEACHERS’ PENSION SYSTEM.

1 37-203.1.

2 (a) (1) An individual may transfer service credit from a contributory
3 system to the State Alternate Contributory Employees' Pension System, the State
4 Alternate Contributory Teachers' Pension System, the State Contributory Employees'
5 Pension System, the State Contributory Law Enforcement Officers' Pension System,
6 [or] the State Contributory Teachers' Pension System, **THE STATE REFORMED**
7 **CONTRIBUTORY EMPLOYEES' PENSION SYSTEM, OR THE STATE REFORMED**
8 **CONTRIBUTORY TEACHERS' PENSION SYSTEM** if, within 1 year after becoming a
9 member of the pension system, the individual:

10 (i) completes a claim for the service credit and files it with the
11 Board of Trustees of the State Retirement and Pension System on a form that the
12 Board of Trustees provides; and

13 (ii) deposits in the annuity savings fund of:

14 1. the Employees' Pension System or Teachers' Pension
15 System member contributions at the rate applicable for the period of service if the
16 member had earned the transferred service credit in the new system, including
17 regular interest on the contributions at the rate of 5% per year compounded annually;
18 or

19 2. the Law Enforcement Officers' Pension System
20 member contributions at the rate of 4% of the individual's earnable compensation
21 while a member of the contributory system after June 30, 2000, including regular
22 interest on the contributions at the rate of 5% per year compounded annually.

23 (2) Subject to § 414(h) of the Internal Revenue Code, the contributory
24 system shall refund the individual's accumulated contributions in excess of the
25 amount determined under paragraph (1) of this subsection on request.

26 (b) (1) Subject to paragraph (2) of this subsection, an individual may
27 transfer service credit from a noncontributory system to the State Alternate
28 Contributory Employees' Pension System, the State Alternate Contributory Teachers'
29 Pension System, the State Contributory Employees' Pension System, the State
30 Contributory Law Enforcement Officers' Pension System, [or] the State Contributory
31 Teachers' Pension System, **THE STATE REFORMED CONTRIBUTORY EMPLOYEES'**
32 **PENSION SYSTEM, OR THE STATE REFORMED CONTRIBUTORY TEACHERS'**
33 **PENSION SYSTEM** if, within 1 year after becoming a member of the pension system,
34 the individual completes a claim for the service credit and files it with the Board of
35 Trustees for the State Retirement and Pension System on a form that the Board of
36 Trustees provides.

1 (3) (i) 1. This subparagraph applies only to an individual who
2 transferred service credit from a noncontributory system to the State Alternate
3 Contributory Employees' Pension System, the State Alternate Contributory Teachers'
4 Pension System, the State Contributory Employees' Pension System, [or] the State
5 Contributory Teachers' Pension System, **THE STATE REFORMED CONTRIBUTORY**
6 **EMPLOYEES' PENSION SYSTEM, OR THE STATE REFORMED CONTRIBUTORY**
7 **TEACHERS' PENSION SYSTEM** and earned any portion of the transferred service
8 credit in a noncontributory system after June 30, 1998.

9 (c) (1) An individual may transfer service credit from the State Alternate
10 Contributory Employees' Pension System, the State Alternate Contributory Teachers'
11 Pension System, the State Contributory Employees' Pension System, the State
12 Contributory Law Enforcement Officers' Pension System, [or] the State Contributory
13 Teachers' Pension System, **THE STATE REFORMED CONTRIBUTORY EMPLOYEES'**
14 **PENSION SYSTEM, OR THE STATE REFORMED CONTRIBUTORY TEACHERS'**
15 **PENSION SYSTEM** to a noncontributory system if, within 1 year after becoming a
16 member of the noncontributory system, the individual completes a claim for the
17 service credit and files it with the administrator of the noncontributory system on a
18 form that the administrator provides.

19 (d) (1) An individual may transfer service credit from the State Alternate
20 Contributory Employees' Pension System, the State Alternate Contributory Teachers'
21 Pension System, the State Contributory Employees' Pension System, the State
22 Contributory Law Enforcement Officers' Pension System, [or] the State Contributory
23 Teachers' Pension System, **THE STATE REFORMED CONTRIBUTORY EMPLOYEES'**
24 **PENSION SYSTEM, OR THE STATE REFORMED CONTRIBUTORY TEACHERS'**
25 **PENSION SYSTEM** to a contributory system if, within 1 year after becoming a member
26 of the contributory system, the individual:

27 (i) completes a claim for the service credit and files it with the
28 administrator of the contributory system on a form that the administrator provides;
29 and

30 (ii) deposits in the annuity savings fund or other corresponding
31 fund of the contributory system the sum of:

32 1. the total accumulated contributions to the individual's
33 credit in the annuity savings fund of the previous system;

34 2. the difference, if any, between the member
35 contributions at the rate provided for in the contributory system, including interest on
36 those contributions, and the total accumulated contributions to the individual's credit
37 in the annuity savings fund of the previous system; and

38 3. the accumulated contributions that would have been
39 deducted during the period the individual was a member of the State system while it

1 was a noncontributory system if the individual had earned the transferred service
 2 credit under the contributory system, including interest on those contributions.

3 38–104.

4 (d) (1) [The] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
 5 **SUBSECTION, THE** service credit for military service that an individual receives under
 6 this section shall be applied to the individual’s retirement allowance using the accrual
 7 rate in effect at the time the individual retires from a State system.

8 (2) **IF AN INDIVIDUAL APPLIES FOR MILITARY SERVICE CREDIT**
 9 **ON OR AFTER JULY 1, 2011, THE SERVICE CREDIT FOR MILITARY SERVICE THAT**
 10 **THE INDIVIDUAL RECEIVES UNDER THIS SECTION SHALL BE APPLIED TO THE**
 11 **INDIVIDUAL’S RETIREMENT ALLOWANCE USING THE ACCRUAL RATE IN EFFECT**
 12 **AT THE TIME THE INDIVIDUAL SUBMITS AN APPLICATION FOR MILITARY**
 13 **SERVICE CREDIT TO THE STATE RETIREMENT AGENCY.**

14 **Article – Tax – General**

15 2–202.

16 (b) The revenue to be distributed in accordance with subsection (a)(1) of this
 17 section:

18 (1) for fiscal year 2010 only, shall be distributed to the General Fund
 19 of the State; [and]

20 (2) for fiscal year 2011 only, shall be distributed as follows:

21 (i) \$500,000 to the Special Fund for Preservation of Cultural
 22 Arts in Maryland, as provided in § 4–801 of the Economic Development Article;

23 (ii) \$500,000 to a special fund, to be used only as provided in
 24 subsection (c) of this section; and

25 (iii) the balance to the General Fund of the State; **AND**

26 (3) **FOR FISCAL YEAR 2012 ONLY, SHALL BE DISTRIBUTED AS**
 27 **FOLLOWS:**

28 ~~(i) \$1,000,000 TO THE SPECIAL FUND FOR PRESERVATION~~
 29 ~~OF CULTURAL ARTS IN MARYLAND, AS PROVIDED IN § 4–801 OF THE ECONOMIC~~
 30 ~~DEVELOPMENT ARTICLE; AND~~

31 ~~(ii) THE BALANCE TO THE GENERAL FUND OF THE STATE.~~

1 2-614.

2 (a) (1) [After] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
3 SUBSECTION, AFTER making the distributions required under §§ 2-613 and 2-613.1
4 of this subtitle, the Comptroller shall distribute monthly [24%] 19.5% of the
5 remaining income tax revenue from corporations to a special fund to be distributed as
6 provided in subsection (b) of this section.

7 (2) THE PERCENT OF THE REMAINING INCOME TAX REVENUE
8 FROM CORPORATIONS DISTRIBUTED TO A SPECIAL FUND TO BE DISTRIBUTED
9 AS PROVIDED IN SUBSECTION (B) OF THIS SECTION SHALL BE:

10 (I) 24% FOR THE FISCAL YEAR BEGINNING JULY 1, 2011;
11 AND

12 (II) 9.5% FOR THE FISCAL YEAR BEGINNING JULY 1, 2012.

13 (b) (1) (I) [From] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF
14 THIS PARAGRAPH, FROM the special fund, the Comptroller shall distribute an
15 amount equal to [24%] 19.5% of the cost to administer the income tax on corporations
16 to an administrative cost account.

17 (II) THE PERCENT OF THE COST TO ADMINISTER THE
18 INCOME TAX ON CORPORATIONS THAT IS DISTRIBUTED TO AN ADMINISTRATIVE
19 COST ACCOUNT SHALL BE:

20 1. 24% FOR THE FISCAL YEAR BEGINNING JULY 1,
21 2011; AND

22 2. 9.5% FOR THE FISCAL YEAR BEGINNING JULY 1,
23 2012.

24 (2) After making the distribution required under paragraph (1) of this
25 subsection, the Comptroller shall distribute the balance in the special fund to the
26 Gasoline and Motor Vehicle Revenue Account in the Transportation Trust Fund.

27 2-1104.

28 (a) Except as OTHERWISE provided in [subsections (b), (c), and (d) of] this
29 section, after making the distributions required under §§ 2-1101 through 2-1103 of
30 this subtitle, from the remaining motor fuel tax revenue, the Comptroller shall
31 distribute:

32 (1) 2.3% to the Chesapeake Bay 2010 Trust Fund; and

1 (2) any remaining balance to the Gasoline and Motor Vehicle Revenue
2 Account of the Transportation Trust Fund.

3 (b) For [the] **EACH** fiscal year beginning **ON OR BEFORE** July 1, [2008]
4 **2015**, instead of the distribution required under subsection (a)(1) of this section, the
5 Comptroller shall distribute 2.3% of the remaining motor fuel tax revenue as follows:

6 (1) **[\$6,500,000]** to the General Fund of the State:

7 **(I) \$5,000,000 FOR EACH FISCAL YEAR BEGINNING ON OR**
8 **BEFORE JULY 1, 2014; AND**

9 **(II) \$4,624,687 FOR THE FISCAL YEAR BEGINNING JULY 1,**
10 **2015; and**

11 (2) the balance to the Chesapeake Bay 2010 Trust Fund.

12 [(c) For the fiscal year beginning July 1, 2009, instead of the distribution
13 required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3%
14 of the remaining motor fuel tax revenue as follows:

15 (1) \$8,385,845 to the General Fund of the State; and

16 (2) the balance to the Chesapeake Bay 2010 Trust Fund.

17 (d) For the fiscal year beginning July 1, 2010, instead of the distribution
18 required under subsection (a)(1) of this section, the Comptroller shall distribute 2.3%
19 of the remaining motor fuel tax revenue as follows:

20 (1) \$5,000,000 to the General Fund of the State; and

21 (2) the balance to the Chesapeake Bay 2010 Trust Fund.]

22 2-1302.1.

23 (a) Except as **OTHERWISE** provided in [subsections (b), (c), and (d) of] this
24 section, after making the distributions required under §§ 2-1301 and 2-1302 of this
25 subtitle, of the sales and use tax collected on short-term vehicle rentals under §
26 11-104(c) of this article the Comptroller shall distribute:

27 (1) 45% to the Transportation Trust Fund established under § 3-216
28 of the Transportation Article; and

29 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

1 (b) For [the] EACH fiscal year beginning ON OR BEFORE July 1, [2008]
2 **2014**, after the distribution required under subsection (a)(1) of this section, the
3 Comptroller shall distribute the remainder of the sales and use tax collected on
4 short-term vehicle rentals under § 11-104(c) of this article as follows:

5 (1) [\$18,500,000] to the General Fund of the State:

6 (I) ~~\$13,669,444~~ \$16,669,444 FOR THE FISCAL YEAR
7 BEGINNING JULY 1, 2011;

8 (II) \$10,076,582 FOR THE FISCAL YEAR BEGINNING JULY 1,
9 2012;

10 (III) \$6,535,845 FOR THE FISCAL YEAR BEGINNING JULY 1,
11 2013; AND

12 (IV) \$3,049,199 FOR THE FISCAL YEAR BEGINNING JULY 1,
13 2014; and

14 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

15 [(c) For the fiscal year beginning July 1, 2009, after the distribution required
16 under subsection (a)(1) of this section, the Comptroller shall distribute the remainder
17 of the sales and use tax collected on short-term vehicle rentals under § 11-104(c) of
18 this article as follows:

19 (1) \$21,100,711 to the General Fund of the State; and

20 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.

21 (d) For the fiscal year beginning July 1, 2010, after the distribution required
22 under subsection (a)(1) of this section, the Comptroller shall distribute the remainder
23 of the sales and use tax collected on short-term vehicle rentals under § 11-104(c) of
24 this article as follows:

25 (1) \$17,101,428 to the General Fund of the State; and

26 (2) the remainder to the Chesapeake Bay 2010 Trust Fund.]

27 [2-1302.2.

28 After making the distributions required under §§ 2-1301 through 2-1302.1 of
29 this subtitle, the Comptroller shall pay into the Transportation Trust Fund
30 established under § 3-216 of the Transportation Article:

1 (2) ~~90%~~ 50% OF THE COSTS OF BUSINESS PERSONAL PROPERTY
2 VALUATION; AND

3 (3) ~~90%~~ 50% OF THE COSTS OF THE OFFICE OF INFORMATION
4 TECHNOLOGY WITHIN THE DEPARTMENT, INCLUDING ANY FUNDING FOR
5 DEPARTMENTAL PROJECTS IN THE MAJOR INFORMATION TECHNOLOGY
6 DEVELOPMENT PROJECT FUND ESTABLISHED UNDER § 3A-309 OF THE STATE
7 FINANCE AND PROCUREMENT ARTICLE.

8 (C) COSTS UNDER SUBSECTION (B) OF THIS SECTION SHALL BE
9 ALLOCATED AMONG THE COUNTIES AND BALTIMORE CITY AS FOLLOWS:

10 (1) COSTS UNDER SUBSECTIONS (B)(1) AND (B)(3) OF THIS
11 SECTION WILL BE ALLOCATED BASED ON THE NUMBER OF REAL PROPERTY
12 ACCOUNTS OF A COUNTY OR BALTIMORE CITY AS A PERCENTAGE OF THE TOTAL
13 NUMBER OF REAL PROPERTY ACCOUNTS STATEWIDE AS OF JULY 1 OF THE
14 PRECEDING FISCAL YEAR; AND

15 (2) COSTS UNDER SUBSECTION (B)(2) OF THIS SECTION WILL BE
16 ALLOCATED BASED ON THE BUSINESS PERSONAL PROPERTY ASSESSABLE BASE
17 OF A COUNTY OR BALTIMORE CITY AS A PERCENTAGE OF THE TOTAL BUSINESS
18 PERSONAL PROPERTY ASSESSABLE BASES STATEWIDE AS OF JULY 1 OF THE
19 PRECEDING FISCAL YEAR.

20 (D) EACH COUNTY AND BALTIMORE CITY SHALL REMIT A QUARTERLY
21 PAYMENT TO THE COMPTROLLER FOR 25% OF THE JURISDICTION'S SHARE OF
22 COSTS ON THE FOLLOWING DATES:

23 (1) JULY 1;

24 (2) OCTOBER 1;

25 (3) JANUARY 1; AND

26 (4) APRIL 1.

27 (E) THE COMPTROLLER MAY WITHHOLD A PORTION OF A LOCAL
28 INCOME TAX DISTRIBUTION OF A COUNTY OR BALTIMORE CITY THAT FAILS TO
29 MAKE TIMELY PAYMENT IN ACCORDANCE WITH THIS SECTION.

30 9-103.

31 (d) (1) The appropriate governing body shall calculate the amount of the
32 tax credit under this section equal to a percentage of the amount of property tax
33 imposed on the eligible assessment of the qualified property, as follows:

1 (i) [80%] 50% in each of the 1st [5] 6 taxable years following
 2 the calendar year in which the property initially becomes a qualified property;

3 (ii) [70% in the 6th taxable year;

4 (iii) 60%] 40% in the 7th taxable year;

5 [(iv)] (III) [50%] 30% in the 8th taxable year;

6 [(v)] (IV) [40%] 20% in the 9th taxable year; and

7 [(vi)] (V) [30%] 10% in the 10th taxable year.

8 (4) For qualified property located in a focus area, the appropriate
 9 governing body shall calculate the amount of the tax credit under this section equal to
 10 [80%] 50% of the amount of property tax imposed on the eligible assessment of the
 11 qualified property for each of the 10 taxable years following the calendar year in which
 12 the property initially becomes a qualified property.

13 **9-255.**

14 **(A) IN THIS SECTION, “ELIGIBLE ASSESSMENT” AND “QUALIFIED**
 15 **PROPERTY” HAVE THE MEANINGS STATED IN § 9-103 OF THIS TITLE.**

16 **(B) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE**
 17 **GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL CORPORATION MAY**
 18 **GRANT, BY LAW, A LOCAL SUPPLEMENT TO THE PROPERTY TAX CREDIT**
 19 **REQUIRED UNDER § 9-103 OF THIS TITLE AGAINST THE PROPERTY TAX**
 20 **IMPOSED ON THE ELIGIBLE ASSESSMENT OF QUALIFIED PROPERTY.**

21 **(2) A COUNTY OR MUNICIPAL CORPORATION MAY NOT OBTAIN**
 22 **REIMBURSEMENT UNDER § 9-103(H) OF THIS TITLE FOR THE REVENUES THAT**
 23 **THE COUNTY OR MUNICIPAL CORPORATION WOULD HAVE COLLECTED IF IT HAD**
 24 **NOT GRANTED A LOCAL SUPPLEMENT AS AUTHORIZED UNDER THIS SECTION.**

25 **(C) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE LOCAL**
 26 **SUPPLEMENT AUTHORIZED UNDER THIS SECTION SHALL BE SUBJECT TO THE**
 27 **PROVISIONS OF THE PROPERTY TAX CREDIT REQUIRED UNDER § 9-103 OF THIS**
 28 **TITLE.**

29 **(D) (1) SUBJECT TO THE LIMITATION UNDER PARAGRAPH (2) OF THIS**
 30 **PARAGRAPH, A LOCAL SUPPLEMENT AUTHORIZED UNDER THIS SECTION SHALL**
 31 **EQUAL A PERCENTAGE, AS SET BY THE MAYOR AND CITY COUNCIL OF**
 32 **BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR OF A MUNICIPAL**

1 CORPORATION, OF THE AMOUNT OF PROPERTY TAX IMPOSED ON THE ELIGIBLE
 2 ASSESSMENT OF THE QUALIFIED PROPERTY FOR EACH OF NOT MORE THAN 10
 3 TAXABLE YEARS FOLLOWING THE CALENDAR YEAR IN WHICH THE PROPERTY
 4 INITIALLY BECOMES A QUALIFIED PROPERTY.

5 (2) FOR ANY TAXABLE YEAR, THE PERCENTAGE SET BY THE
 6 MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF
 7 A COUNTY OR OF A MUNICIPAL CORPORATION UNDER PARAGRAPH (1) OF THIS
 8 SUBSECTION MAY NOT EXCEED THE PERCENTAGE THAT WHEN ADDED TO THE
 9 PERCENTAGE SPECIFIED IN § 9-103(D)(1) OF THIS TITLE FOR THAT TAXABLE
 10 YEAR EQUALS 80%.

11 Article – Transportation

12 1-103.

13 [(c) Subsection (b) of this section does not apply to licenses issued under:

14 (1) Title 13 of this article (motor vehicle registrations); or

15 (2) Title 16 of this article (drivers' licenses).]

16 3-215.

17 (b) The tax levied and imposed by this section consists of that part of the
 18 following taxes that are retained to the credit of the Department after distributions to
 19 the political subdivisions:

20 (1) The motor fuel tax revenue distributed under §§ 2-1103(2) and
 21 2-1104(a)(2) of the Tax – General Article;

22 (2) The income tax revenue distributed under § 2-614 of the Tax –
 23 General Article;

24 (3) The excise tax imposed on vehicles by Part II of Title 13, Subtitle 8
 25 of this article; and

26 (4) The sales and use tax revenues distributed under [§§ 2-1302.1 and
 27 2-1302.2] § 2-1302.1 of the Tax – General Article.

28 3-217.

29 (A) BEGINNING JULY 1, 2012, FUNDS IN THE TRANSPORTATION TRUST
 30 FUND MAY NOT BE TRANSFERRED OR DIVERTED FROM THAT FUND TO THE
 31 GENERAL FUND UNLESS LEGISLATION IS ENACTED PRIOR TO THE TRANSFER

1 OR DIVERSION THAT PROVIDES FOR REPAYMENT OF THE FUNDS TO THE
2 TRANSPORTATION TRUST FUND WITHIN 5 YEARS AFTER THE TRANSFER OR
3 DIVERSION.

4 (B) THIS SECTION DOES NOT APPLY TO A TRANSFER OR DIVERSION OF
5 FUNDS UNDER § 8-403 OF THIS ARTICLE.

6 4-321.

7 (e) The Governor shall transfer to the Authority for the Intercounty
8 Connector:

9 (1) From the Transportation Trust Fund, at least \$30,000,000 each
10 year for fiscal years 2007 through 2010;

11 (2) From the General Fund or general obligation bonds, an aggregate
12 appropriation by fiscal year [2012] **2013** equal to \$264,913,000, as follows:

13 (i) \$53,000,000 for fiscal year 2007;

14 (ii) \$55,000,000 for fiscal year 2010;

15 (iii) At least \$80,000,000 for fiscal year 2011; and

16 (iv) The remaining balance for fiscal year 2012 **OR FISCAL**
17 **YEAR 2013**; and

18 (3) At least \$10,000,000 federal aid from any source in amounts as
19 deemed prudent.

20 5-415.

21 (A) IN THIS SECTION, "FIRE RESCUE SERVICE" MEANS THE MARYLAND
22 AVIATION ADMINISTRATION FIRE RESCUE SERVICE.

23 (B) SUBJECT TO SUBSECTION (C) OF THIS SECTION, THE FIRE RESCUE
24 SERVICE SHALL CHARGE AN AMBULANCE TRANSPORT FEE AS PROVIDED IN
25 SUBSECTION (D) OF THIS SECTION TO AN INDIVIDUAL IF THE FIRE RESCUE
26 SERVICE TRANSPORTS THE INDIVIDUAL TO A HOSPITAL FROM PROPERTY
27 OWNED BY THE ADMINISTRATION OR PROPERTY SUBJECT TO A MUTUAL AID
28 AGREEMENT TO WHICH THE ADMINISTRATION IS A PARTY.

29 (C) (1) THE FIRE RESCUE SERVICE MAY NOT:

1 **(I) QUESTION AN INDIVIDUAL ABOUT ABILITY TO PAY THE**
2 **AMBULANCE TRANSPORT FEE AT THE TIME THAT AMBULANCE**
3 **TRANSPORTATION IS REQUESTED OR PROVIDED; OR**

4 **(II) FAIL TO PROVIDE AMBULANCE TRANSPORTATION AND**
5 **EMERGENCY MEDICAL SERVICES BECAUSE OF AN INDIVIDUAL'S ACTUAL OR**
6 **PERCEIVED INABILITY TO PAY THE AMBULANCE TRANSPORT FEE.**

7 **(2) THE ADMINISTRATION MAY PROCURE THE SERVICES OF A**
8 **THIRD PARTY BILLING COMPANY TO ADMINISTER ITS AMBULANCE TRANSPORT**
9 **FEE PROGRAM.**

10 **(3) THE ADMINISTRATION MAY ADOPT REGULATIONS TO**
11 **ADMINISTER THE COLLECTION OF THE AMBULANCE TRANSPORT FEE,**
12 **INCLUDING REGULATIONS GOVERNING:**

13 **(I) A WAIVER OF THE AMBULANCE TRANSPORT FEE IN THE**
14 **EVENT OF FINANCIAL HARDSHIP;**

15 **(II) THE ACCEPTANCE OF REDUCED PAYMENTS BY**
16 **COMMERCIAL INSURERS AND OTHER THIRD-PARTY PAYORS, INCLUDING**
17 **MEDICARE AND MEDICAID; AND**

18 **(III) A REQUIREMENT THAT EACH INDIVIDUAL RECEIVING**
19 **AN AMBULANCE TRANSPORT PROVIDE FINANCIAL INFORMATION, INCLUDING**
20 **THE INDIVIDUAL'S INSURANCE COVERAGE, AND ASSIGN INSURANCE BENEFITS**
21 **TO THE ADMINISTRATION.**

22 **(D) THE AMBULANCE TRANSPORT FEE SHALL BE THE SUM OF:**

23 **(1) AN AMOUNT EQUAL TO:**

24 **(I) \$550 FOR SERVICES THAT QUALIFY AS ADVANCED LIFE**
25 **SUPPORT, LEVEL 1, UNDER 42 C.F.R. 414.605;**

26 **(II) \$600 FOR SERVICES THAT QUALIFY AS ADVANCED LIFE**
27 **SUPPORT, LEVEL 2, UNDER 42 C.F.R. 414.605; OR**

28 **(III) \$375 FOR SERVICES THAT QUALIFY AS BASIC LIFE**
29 **SUPPORT UNDER 42 C.F.R. 414.605; AND**

30 **(2) AN AMOUNT EQUAL TO \$13 FOR EACH MILE THE INDIVIDUAL**
31 **IS TRANSPORTED BY THE FIRE RESCUE SERVICE.**

1 **(E) THE ADMINISTRATION SHALL DEPOSIT THE FEES COLLECTED**
2 **UNDER THIS SECTION IN THE TRANSPORTATION TRUST FUND.**

3 7-208.

4 **(b) (1) For fiscal year 2009 and each fiscal year thereafter, the**
5 **Administration shall separately recover from fares and other operating revenues at**
6 **least 35 percent of the total operating costs for:**

7 **(i) The Administration's bus, light rail, and Metro subway**
8 **services in the Baltimore region; and**

9 **(ii) All passenger railroad services under the Administration's**
10 **control.**

11 **(2) The Administration shall submit, in accordance with § 2-1246 of**
12 **the State Government Article, an annual report to the Senate Budget and Taxation**
13 **Committee, House Ways and Means Committee, and House Appropriations**
14 **Committee by December 1 of each year that includes:**

15 **(i) Separate farebox recovery ratios for the prior fiscal year for:**

16 **1. Bus, light rail, and Metro subway services provided by**
17 **the Administration in the Baltimore region;**

18 **2. Commuter bus service provided under contract to the**
19 **Administration in the Baltimore region; and**

20 **3. Maryland Area Rail Commuter (MARC) service**
21 **provided under contract to the Administration;**

22 **(ii) A discussion of the success or failure to achieve the farebox**
23 **recovery requirement established in paragraph (1) of this subsection; [and]**

24 **(iii) Comparisons of farebox recovery ratios for the**
25 **Administration's mass transit services and other similar transit systems nationwide;**
26 **AND**

27 **(IV) THE ESTIMATED FARE PRICES NECESSARY TO ACHIEVE**
28 **THE FAREBOX RECOVERY REQUIREMENT ESTABLISHED IN PARAGRAPH (1) OF**
29 **THIS SUBSECTION FOR THE NEXT FISCAL YEAR.**

30 **(B-1) SUBJECT TO § 7-506 OF THIS TITLE, THE ADMINISTRATION SHALL**
31 **SET THE FARE PRICES FOR BUS, LIGHT RAIL, AND METRO SUBWAY SERVICES IN**
32 **THE BALTIMORE REGION AND FOR PASSENGER RAILROAD SERVICES UNDER**
33 **THE ADMINISTRATION'S CONTROL AT AN AMOUNT SUFFICIENT TO ACHIEVE THE**

1 FAREBOX RECOVERY REQUIREMENT ESTABLISHED IN SUBSECTION (B) OF THIS
 2 SECTION.

3 8-402.

4 ~~(e) (2) For fiscal years 2010 through 2012, the Account shall be~~
 5 ~~distributed as follows:~~

6 ~~(i) A portion to the General Fund of the State as follows:~~

7 ~~1. 19.5% for fiscal year 2010;~~

8 ~~2. 23% for fiscal year 2011; and~~

9 ~~3. [20.4%] 24.01931% for fiscal year 2012;~~

10 ~~(ii) A portion to be used as provided in § 3-216 of this article, as~~
 11 ~~follows:~~

12 ~~1. 70% for fiscal year 2010;~~

13 ~~2. 68.5% for fiscal year 2011; and~~

14 ~~3. [71.5%] 65.5% for fiscal year 2012; [and]~~

15 ~~(IV) FOR FISCAL YEAR 2012 ONLY, 2.38069% TO THE~~
 16 ~~REVENUE STABILIZATION ACCOUNT ESTABLISHED UNDER § 7-311 OF THE~~
 17 ~~STATE FINANCE AND PROCUREMENT ARTICLE; AND~~

18 ~~[(iii)] (IV) The balance to be used to pay the allocations of~~
 19 ~~highway user revenues provided under this subtitle to the counties, municipalities,~~
 20 ~~and Baltimore City.~~

21 (c) (1) Except as provided in paragraph (2) of this subsection, for each
 22 fiscal year:

23 (i) [19.3% of the revenue credited to the Account shall be
 24 distributed to the General Fund of the State;

25 (ii) [71.5%] 90.4% of the revenue credited to the Account may
 26 be used as provided in § 3-216 of this article; and

27 [(iii)] (II) The balance of the Account shall be used to pay the
 28 allocations of highway user revenues provided by this subtitle to the counties,
 29 municipalities, and Baltimore City.

1 (2) For fiscal years 2010 through [2012] 2013, the Account shall be
 2 distributed as follows:

3 (i) A portion to the General Fund of the State FOR FISCAL
 4 YEARS 2010 THROUGH 2012 as follows:

5 1. 19.5% for fiscal year 2010;

6 2. 23% for fiscal year 2011; and

7 3. [20.4%] 11.3% for fiscal year 2012;

8 (ii) A portion to be used as provided in § 3-216 of this article, as
 9 follows:

10 1. 70% for fiscal year 2010;

11 2. 68.5% for fiscal year 2011; [and]

12 3. [71.5%] SUBJECT TO PARAGRAPH (3) OF THIS
 13 SUBSECTION, 79.8% for fiscal year 2012; AND

14 4. 90% FOR FISCAL YEAR 2013; and

15 (iii) The balance to be used to pay the allocations of highway
 16 user revenues provided under this subtitle to the counties, municipalities, and
 17 Baltimore City.

18 **(3) FOR FISCAL YEAR 2012, FROM THE AMOUNT ALLOCATED TO**
 19 **THE TRANSPORTATION TRUST FUND UNDER PARAGRAPH (2)(II)3 OF THIS**
 20 **SUBSECTION, \$40,000,000 SHALL BE TRANSFERRED FROM THE**
 21 **TRANSPORTATION TRUST FUND TO THE REVENUE STABILIZATION ACCOUNT**
 22 **ESTABLISHED UNDER § 7-311 OF THE STATE FINANCE AND PROCUREMENT**
 23 **ARTICLE.**

24 8-403.

25 (a) Subject to §§ 3-307 and 3-308 of this article, and except as provided in
 26 subsection (b) of this section, for each fiscal year, from the total highway user
 27 revenues:

28 (1) An amount equal to [7.5%] 7.7% of total highway user revenues
 29 shall be distributed to Baltimore City in monthly installments;

1 (2) An amount shall be distributed to the counties at the times
2 specified in § 8–407 of this subtitle, to be allocated as provided in § 8–404 of this
3 subtitle, equal to [1.4%] 1.5% of total highway user revenues; and

4 (3) An amount shall be distributed to the municipalities at the times
5 specified in § 8–407 of this subtitle, to be allocated as provided in § 8–405 of this
6 subtitle, equal to [0.3%] 0.4% of total highway user revenues.

7 **(b) (1) For fiscal year 2010:**

8 (i) The amount distributed to Baltimore City under this
9 subtitle shall equal 8.6% of total highway user revenues;

10 (ii) The amount distributed to the counties under this subtitle
11 shall equal 1.5% of total highway user revenues; and

12 (iii) The amount distributed to the municipalities under this
13 subtitle shall equal 0.4% of total highway user revenues.

14 **(2) For fiscal year 2011:**

15 (i) The amount distributed to Baltimore City under this
16 subtitle shall equal 7.9% of total highway user revenues;

17 (ii) The amount distributed to the counties under this subtitle
18 shall equal 0.5% of total highway user revenues; and

19 (iii) The amount distributed to the municipalities under this
20 subtitle shall equal 0.1% of total highway user revenues.

21 **(3) For fiscal year 2012:**

22 (i) The amount distributed to Baltimore City under this
23 subtitle shall equal 7.5% of total highway user revenues;

24 (ii) The amount distributed to the counties under this subtitle
25 shall equal [0.5%] 0.8% of total highway user revenues; and

26 (iii) The amount distributed to the municipalities under this
27 subtitle shall equal [0.1%] 0.6% of total highway user revenues.

28 **(4) FOR FISCAL YEAR 2013:**

29 **(I) THE AMOUNT DISTRIBUTED TO BALTIMORE CITY**
30 **UNDER THIS SUBTITLE SHALL EQUAL 8.1% OF TOTAL HIGHWAY USER**
31 **REVENUES;**

1 **(II) THE AMOUNT DISTRIBUTED TO THE COUNTIES UNDER**
2 **THIS SUBTITLE SHALL EQUAL 1.5% OF TOTAL HIGHWAY USER REVENUES; AND**

3 **(III) THE AMOUNT DISTRIBUTED TO THE MUNICIPALITIES**
4 **UNDER THIS SUBTITLE SHALL EQUAL 0.4% OF TOTAL HIGHWAY USER**
5 **REVENUES.**

6 12-120.

7 (a) In this section[, “miscellaneous”]:

8 **(1) “MISCELLANEOUS fees” means all fees collected by the**
9 **Administration under this article other than:**

10 **[(1)] (I) The vehicle titling tax;**

11 **(II) THE CERTIFICATE OF TITLE FEE UNDER § 13-802 OF**
12 **THIS ARTICLE; and**

13 **[(2)] (III) Vehicle registration fees under Part II of Title 13, Subtitle 9**
14 **of this article; AND**

15 **(2) “MISCELLANEOUS FEES” INCLUDES THE FEE CHARGED**
16 **UNDER § 23-205 OF THIS ARTICLE FOR VEHICLE EMISSIONS INSPECTION.**

17 (b) Except as provided in this section, the Administration may not alter the
18 miscellaneous fees that the Administration is authorized under this article to
19 establish.

20 (c) (1) Subject to the limitations under subsection (d) of this section,
21 before the start of any fiscal year the Administration by regulation may alter, effective
22 beginning in the upcoming fiscal year, the levels of the miscellaneous fees that the
23 Administration is authorized under this article to establish.

24 (2) The Administration shall alter the levels of miscellaneous fees for
25 the upcoming fiscal year if the projected cost recovery under subsection (d) of this
26 section exceeds [100%] 75%.

27 (d) The Administration shall set the levels of miscellaneous fees so that the
28 total amount of projected revenues from all miscellaneous fees for the upcoming fiscal
29 year is at least [95] 70 percent but does not exceed [100] 75 percent of the sum of:

30 (1) The operating budget of the Administration for that fiscal year,
31 **INCLUDING THE COSTS OF ADMINISTERING THE VEHICLE EMISSIONS**

1 INSPECTION PROGRAM, as approved by the General Assembly in the annual State
2 budget;

3 (2) The average annual capital program of the Administration as
4 reported in the 6-year Consolidated Transportation Program described in § 2-103.1 of
5 this article; and

6 (3) The Administration's portion of the cost for that fiscal year of the
7 Department's data center operations, except for the cost of data center operations
8 attributable to other administrations' activities.

9 (e) (1) The Administration may not alter miscellaneous fees more than
10 once in any fiscal year.

11 (2) The Administration need not reduce fees for the upcoming fiscal
12 year if legislative budget modifications cause the projected cost recovery percentage to
13 exceed [100] 75 percent.

14 (3) The level of a miscellaneous fee set by the Administration remains
15 in effect until again altered by the Administration as provided under this section.

16 ~~12-120.~~

17 (a) ~~In this section, "miscellaneous fees" means all fees collected by the~~
18 ~~Administration under this article other than:~~

19 (1) ~~The vehicle titling tax; [and]~~

20 (2) ~~Vehicle registration fees under Part II of Title 13, Subtitle 9 of this~~
21 ~~article; AND~~

22 (3) ~~FEEs COLLECTED UNDER TITLE 16, SUBTITLE 10 OF THIS~~
23 ~~ARTICLE.~~

24 ~~13-406.~~

25 ~~The Administration shall refuse to register, RENEW, or transfer the registration~~
26 ~~of any vehicle if:~~

27 (9) ~~The Administration has reasonable grounds to believe:~~

28 (i) ~~That the vehicle is stolen;~~

29 (ii) ~~That the grant or transfer of registration would be a fraud~~
30 ~~against another person; or~~

1 ~~(iii) That the vehicle does not comply with Title 2, Subtitle 11 of~~
2 ~~the Environment Article or any regulations adopted under that subtitle; [or]~~

3 ~~(10) The gross vehicle weight is 55,000 pounds or over and the~~
4 ~~applicant has failed to furnish proof of payment of the Federal Heavy Vehicle Use~~
5 ~~Tax[.]; OR~~

6 ~~(11) THE APPLICANT HAS NOT PAID ALL UNDISPUTED TAXES AND~~
7 ~~UNEMPLOYMENT INSURANCE CONTRIBUTIONS PAYABLE TO THE COMPTROLLER~~
8 ~~OR THE SECRETARY OF LABOR, LICENSING, AND REGULATION OR HAS~~
9 ~~PROVIDED FOR PAYMENT IN A MANNER SATISFACTORY TO THE UNIT~~
10 ~~RESPONSIBLE FOR COLLECTION.~~

11 ~~16-103.1.~~

12 ~~The Administration may not issue a driver's license to an individual:~~

13 ~~(11) Who does not provide:~~

14 ~~(i) Satisfactory documentary evidence that the applicant has a~~
15 ~~valid Social Security number by presenting the applicant's Social Security~~
16 ~~Administration account card or, if the Social Security Administration account card is~~
17 ~~not available, any of the following documents bearing the applicant's Social Security~~
18 ~~number:~~

19 ~~1. A current W-2 form;~~

20 ~~2. A current SSA-1099 form;~~

21 ~~3. A current non-SSA-1099 form; or~~

22 ~~4. A current pay stub with the applicant's name and~~
23 ~~Social Security number on it; or~~

24 ~~(ii) Satisfactory documentary evidence that the applicant is not~~
25 ~~eligible for a Social Security number; [or]~~

26 ~~(12) WHO HAS NOT PAID ALL UNDISPUTED TAXES AND~~
27 ~~UNEMPLOYMENT INSURANCE CONTRIBUTIONS PAYABLE TO THE COMPTROLLER~~
28 ~~OR THE SECRETARY OF LABOR, LICENSING, AND REGULATION OR PROVIDED~~
29 ~~FOR PAYMENT IN A MANNER SATISFACTORY TO THE UNIT RESPONSIBLE FOR~~
30 ~~COLLECTION; OR~~

31 ~~(13) Who otherwise does not qualify for a license under this title.~~

32 13-406.2.

1 **(A) THE ADMINISTRATION MAY NOT RENEW OR TRANSFER THE**
2 **REGISTRATION OF ANY VEHICLE IF THE APPLICANT HAS NOT PAID ALL**
3 **UNDISPUTED TAXES AND UNEMPLOYMENT INSURANCE CONTRIBUTIONS**
4 **PAYABLE TO THE COMPTROLLER OR THE SECRETARY OF LABOR, LICENSING,**
5 **AND REGULATION OR PROVIDED FOR PAYMENT IN A MANNER SATISFACTORY TO**
6 **THE UNIT RESPONSIBLE FOR COLLECTION.**

7 **(B) THE ADMINISTRATION SHALL COOPERATE WITH THE**
8 **COMPTROLLER AND THE DEPARTMENT OF LABOR, LICENSING, AND**
9 **REGULATION TO DEVELOP PROCEDURES AND ADOPT REGULATIONS IN**
10 **ACCORDANCE WITH THIS SECTION.**

11 **(C) REGULATIONS ADOPTED UNDER THIS SECTION SHALL REQUIRE:**

12 **(1) THE COMPTROLLER TO NOTIFY THE ADMINISTRATION THAT**
13 **AN INDIVIDUAL HAS NOT PAID ALL UNDISPUTED TAXES; AND**

14 **(2) THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION**
15 **TO NOTIFY THE ADMINISTRATION THAT AN INDIVIDUAL HAS NOT PAID ALL**
16 **UNDISPUTED UNEMPLOYMENT INSURANCE CONTRIBUTIONS.**

17 13-613.

18 **(b) In addition to the annual registration fee otherwise required by this title,**
19 **the applicant shall pay an additional annual fee of [~~\$25~~] \$50, payable with the**
20 **original and each renewal application for special registration under this section.**

21 13-802.

22 **Except as provided in § 13-805 of this subtitle, the fee for each certificate of title**
23 **issued under this title is [~~\$50~~] \$100.**

24 16-115.

25 **(J) (1) THE ADMINISTRATION MAY NOT RENEW THE DRIVER'S**
26 **LICENSE OF AN APPLICANT WHO HAS NOT PAID ALL UNDISPUTED TAXES AND**
27 **UNEMPLOYMENT INSURANCE CONTRIBUTIONS PAYABLE TO THE COMPTROLLER**
28 **OR THE SECRETARY OF LABOR, LICENSING, AND REGULATION OR PROVIDED**
29 **FOR PAYMENT IN A MANNER SATISFACTORY TO THE UNIT RESPONSIBLE FOR**
30 **COLLECTION.**

31 **(2) THE ADMINISTRATION SHALL COOPERATE WITH THE**
32 **COMPTROLLER AND THE DEPARTMENT OF LABOR, LICENSING, AND**

1 REGULATION TO DEVELOP PROCEDURES AND ADOPT REGULATIONS IN
 2 ACCORDANCE WITH THIS SECTION.

3 (3) REGULATIONS ADOPTED UNDER THIS SUBSECTION SHALL
 4 REQUIRE:

5 (i) THE COMPTROLLER TO NOTIFY THE ADMINISTRATION
 6 THAT AN INDIVIDUAL HAS NOT PAID ALL UNDISPUTED TAXES; AND

7 (ii) THE DEPARTMENT OF LABOR, LICENSING, AND
 8 REGULATION TO NOTIFY THE ADMINISTRATION THAT AN INDIVIDUAL HAS NOT
 9 PAID ALL UNDISPUTED UNEMPLOYMENT INSURANCE CONTRIBUTIONS.

10 23-205.

11 (a) [(1)] [Subject to paragraph (2) of this subsection, the] THE
 12 Administration and the Secretary shall set the fee to be charged for each vehicle to be
 13 inspected and tested by a facility.

14 [(2) The fee established under this subsection:

15 (i) During the period from January 1, 1995 through May 31,
 16 1997, may not exceed \$12; and

17 (ii) During the period after May 31, 1997, may not exceed \$14.]

18 (b) The fee shall be collected in a manner established by the Administration
 19 and the Secretary.

20 [(c) A specific portion of the fee shall be paid to or retained by the
 21 Administration to cover the cost of administration and enforcement of the emissions
 22 control program, as provided in the contract between the contractor and the State.]

23 ~~SUBTITLE 10. ASSESSMENT OF FEES.~~

24 ~~16-1001.~~

25 ~~(A) THE ADMINISTRATION SHALL ASSESS THE FOLLOWING FEES~~
 26 ~~AGAINST A LICENSEE HOLDING A NONCOMMERCIAL CLASS A, B, C, D, E, OR M~~
 27 ~~DRIVER'S LICENSE:~~

28 ~~(1) IF THE LICENSEE IS ASSESSED MORE THAN 5 POINTS UNDER~~
 29 ~~SUBTITLE 4 OF THIS TITLE FOR VIOLATIONS OCCURRING WITHIN ANY 2 YEAR~~
 30 ~~PERIOD, EXCLUDING POINTS ASSESSED FOR A CONVICTION UNDER § 21-902 OF~~
 31 ~~THIS ARTICLE, FOR EACH POINT THAT THE LICENSEE IS ASSESSED OVER 5~~

1 ~~POINTS, A FEE OF \$100 ANNUALLY FOR A PERIOD OF 3 YEARS FROM THE DATE~~
2 ~~THAT THE POINT WAS ASSESSED; AND~~

3 ~~(2) FOR EACH TIME A LICENSEE IS CONVICTED FOR A VIOLATION~~
4 ~~OF § 21-902 OF THIS ARTICLE, OR AN OFFENSE IN ANOTHER JURISDICTION~~
5 ~~THAT WOULD BE A VIOLATION OF § 21-902 OF THIS ARTICLE IF COMMITTED IN~~
6 ~~THIS STATE, A FEE OF \$500 ANNUALLY FOR A PERIOD OF 3 YEARS FROM THE~~
7 ~~DATE OF CONVICTION.~~

8 ~~(B) IN CALCULATING THE TOTAL NUMBER OF POINTS ASSESSED~~
9 ~~AGAINST AN INDIVIDUAL WITHIN A 2-YEAR PERIOD FOR PURPOSES OF~~
10 ~~SUBSECTION (A)(1) OF THIS SECTION, THE ADMINISTRATION MAY INCLUDE NO~~
11 ~~MORE THAN 5 POINTS ASSESSED BEFORE JUNE 1, 2011.~~

12 ~~16-1002.~~

13 ~~(A) THE ADMINISTRATION SHALL SEND NOTICE TO EACH INDIVIDUAL~~
14 ~~ASSESSED A FEE UNDER § 16-1001 OF THIS SUBTITLE NO MORE THAN 30 DAYS~~
15 ~~AFTER THE CONVICTION THAT SUBJECTS THE INDIVIDUAL TO THE FEE IS~~
16 ~~POSTED TO THE INDIVIDUAL'S DRIVING RECORD.~~

17 ~~(B) (1) SUBJECT TO SUBSECTION (C) OF THIS SECTION, THE~~
18 ~~ADMINISTRATION SHALL SUSPEND THE DRIVER'S LICENSE OF AN INDIVIDUAL~~
19 ~~UNLESS ALL FEES ASSESSED UNDER § 16-1001 OF THIS SUBTITLE ARE PAID~~
20 ~~WITHIN A TIME PERIOD ESTABLISHED BY THE ADMINISTRATION.~~

21 ~~(2) AN INDIVIDUAL MAY REQUEST A HEARING CONCERNING A~~
22 ~~PROPOSED DECISION OF THE ADMINISTRATION TO SUSPEND THE INDIVIDUAL'S~~
23 ~~DRIVER'S LICENSE OR PRIVILEGE TO DRIVE UNDER THIS SUBSECTION.~~

24 ~~(3) AT A HEARING UNDER THIS SUBSECTION, THE ISSUE SHALL~~
25 ~~BE LIMITED TO:~~

26 ~~(I) WHETHER THE ADMINISTRATION HAD MISTAKEN THE~~
27 ~~IDENTITY OF THE INDIVIDUAL WHOSE DRIVER'S LICENSE OR PRIVILEGE TO~~
28 ~~DRIVE HAS BEEN SUSPENDED;~~

29 ~~(II) WHETHER THE INDIVIDUAL HAS BEEN ASSESSED A~~
30 ~~TOTAL OF MORE THAN 5 POINTS FOR VIOLATIONS WITHIN ANY 2-YEAR PERIOD;~~
31 ~~AND~~

32 ~~(III) WHETHER AT LEAST ONE OF THE TOTAL NUMBER OF~~
33 ~~POINTS ON WHICH THE FEE ASSESSMENT IS BASED WAS ASSESSED FOR A~~
34 ~~VIOLATION THAT OCCURRED ON OR AFTER JUNE 1, 2011.~~

~~(C) (1) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE ADMINISTRATION MAY ESTABLISH A SCHEDULE FOR PAYMENT OF FEES IMPOSED UNDER § 16-1001 OF THIS SUBTITLE.~~

~~(2) IF THE PAYMENT SCHEDULE ESTABLISHED UNDER THIS SUBSECTION IS FOLLOWED, THE ADMINISTRATION:~~

~~(I) MAY NOT SUSPEND AN INDIVIDUAL'S LICENSE FOR NONPAYMENT OF THE FEES IMPOSED UNDER § 16-1001 OF THIS SUBTITLE; AND~~

~~(II) SHALL REINSTATE A LICENSE THAT WAS SUSPENDED FOR FAILURE TO PAY THE FEES IMPOSED UNDER § 16-1001 OF THIS SUBTITLE.~~

~~(3) A LICENSEE MAY PREPAY AT ANY TIME THE TOTAL AMOUNT OF FEES THAT WILL BE DUE OVER THE 3-YEAR PERIOD FOR WHICH THE FEES WERE ASSESSED UNDER § 16-1001 OF THIS SUBTITLE.~~

~~16-1003.~~

~~OF THE REVENUES DERIVED FROM FEES IMPOSED UNDER THIS SUBTITLE, THE ADMINISTRATION SHALL RETAIN AN AMOUNT SUFFICIENT TO COVER THE COSTS NEEDED TO ADMINISTER THE PROVISIONS OF THIS SUBTITLE, AND THE BALANCE SHALL BE DISTRIBUTED AS FOLLOWS:~~

~~(1) FOR FISCAL YEARS 2012 AND 2013, TO THE GENERAL FUND; AND~~

~~(2) FOR ALL FISCAL YEARS BEGINNING ON OR AFTER JULY 1, 2013, TO THE MARYLAND EMERGENCY MEDICAL SYSTEM OPERATIONS FUND ESTABLISHED UNDER § 13-955 OF THIS ARTICLE.~~

Chapter 288 of the Acts of 2002

SECTION 7. AND BE IT FURTHER ENACTED, That, [within the next 10 years, and] no later than June 30, [2012] 2014, the Maryland State Department of Education, in consultation with the Department of Budget and Management and the Department of Legislative Services, shall contract with a public or private entity to conduct a study of the adequacy of education funding in the State. At a minimum, the adequacy study shall: (1) identify a base funding level for students without special needs; (2) per pupil weights for students with special needs to be applied to the base funding level; and (3) an analysis of the effect of concentrations of poverty on adequacy targets. THE STUDY SHALL BE CONDUCTED IN PHASES, WITH THE FIRST PHASE BEGINNING NO LATER THAN JUNE 30, 2014, AND THE FINAL PHASE BEING COMPLETED BY DECEMBER 1, 2016. THE STUDY SHALL INCORPORATE

1 STANDARDS FROM THE COMMON CORE CURRICULUM ADOPTED BY THE STATE
 2 BOARD OF EDUCATION AND 2 YEARS OF RESULTS FROM THE NEW COMMON
 3 CORE ASSESSMENTS, WHICH ARE SCHEDULED TO BE IMPLEMENTED BEGINNING
 4 IN THE 2014–2015 SCHOOL YEAR. The Governor shall include sufficient funds in the
 5 State budget for the appropriate fiscal years for the Maryland State Department of
 6 Education to cover the costs of conducting the adequacy study.

7 **Chapter 503 of the Acts of 2007**

8 SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in
 9 Section 3 and subject to Section 4 of this Act, this Act shall take effect July 1, 2007. [It
 10 shall remain effective for a period of 5 years and, at the end of June 30, 2012, with no
 11 further action required by the General Assembly, this Act shall be abrogated and of no
 12 further force and effect.]

13 SECTION ~~4.~~ 2. AND BE IT FURTHER ENACTED, That Section(s)
 14 18–1101 through 18–1107 and the subtitle “Subtitle 11 – Distinguished Scholar
 15 Programs” of Article – Education of the Annotated Code of Maryland be repealed.

16 ~~SECTION 5. AND BE IT FURTHER ENACTED, That Section(s) 18–1201~~
 17 ~~through 18–1207 and the subtitle “Subtitle 12. Private Career School Student Grant~~
 18 ~~Program” of Article – Education of the Annotated Code of Maryland be repealed.~~

19 ~~SECTION 6. AND BE IT FURTHER ENACTED, That Section(s)~~
 20 ~~8–406(b) and 10–704.1 of the Tax – General Article of the Annotated Code of Maryland~~
 21 ~~be repealed.~~

22 SECTION ~~7.~~ 3. AND BE IT FURTHER ENACTED, That, notwithstanding any
 23 other provision of law, on or before June 30, 2011, the Governor may transfer to the
 24 General Fund:

25 \$1,000,000 of the funds in the Maryland Health Care Commission Fund
 26 established under § 19–111 of the Health – General Article;

27 ~~\$500,000~~ \$1,000,000 of the funds in the State Used Tire Cleanup and Recycling
 28 Fund established under § 9–273 of the Environment Article;

29 \$256,000 of the funds in the Forest or Park Reserve Fund established under §
 30 5–212 of the Natural Resources Article;

31 \$250,000 of the funds in the Maryland Not–For–Profit Development Center
 32 Program Fund established under § 5–1204 of the Economic Development
 33 Article;

34 ~~\$150,000~~ \$75,000 of the funds in the Board of Veterinary Medical Examiners
 35 Fund established under § 2–303 of the Agriculture Article; and

1 \$970,000 of the funds in the Chesapeake and Atlantic Coastal Bays 2010 Trust
2 Fund established under § 8–2A–02 of the Natural Resources Article.

3 SECTION ~~§~~ 4. AND BE IT FURTHER ENACTED, That, notwithstanding any
4 other provision of law, on or before June 30, 2012, the Governor may transfer to the
5 General Fund:

6 \$10,000,000 of the funds in the Circuit Court Real Property Records
7 Improvement Fund established under § 13–602 of the Courts and Judicial
8 Proceedings Article;

9 \$2,000,000 of the funds in the State Insurance Trust Fund established under §
10 9–103 of the State Finance and Procurement Article;

11 \$500,000 of the funds in the Spinal Cord Injury Research Trust Fund
12 established under § 13–1406 of the Health – General Article;

13 \$237,888 of the funds in the State Board of Pharmacy Fund established under §
14 12–206 of the Health Occupations Article;

15 \$125,000 of the funds in the Maryland Not–For–Profit Development Center
16 Program Fund established under § 5–1204 of the Economic Development
17 Article;

18 \$1,500,000 of the funds in the Senior Prescription Drug Assistance Program
19 Account of the Maryland Health Insurance Plan Fund established under §
20 14–504(e) of the Insurance Article;

21 \$2,297,142 of the funds in the accounts of the Baltimore City Community
22 College;

23 \$44,888 of the funds in the State Board of Examiners of Psychologists Fund
24 established under § 18–207 of the Health Occupations Article;

25 \$35,000 of the funds in the special fund established under § 1–203.3 of the
26 Corporations and Associations Article;

27 \$179,316 of the funds in the Central Collection Fund established under § 3–306
28 of the State Finance and Procurement Article;

29 \$100,000 of the funds in the Rental Housing Programs Fund established under
30 § 4–504 of the Housing and Community Development Article;

31 \$30,000 of the funds in the Homeownership Programs Fund established under §
32 4–502 of the Housing and Community Development Article;

1 \$175,000 of the funds in the Board of Physicians Fund established under §
2 14–207 of the Health Occupations Article;

3 \$83,000 of the funds in the State Board of Physical Therapy Examiners Fund
4 established under § 13–207 of the Health Occupations Article;

5 \$39,000 of the funds in the Maryland Health Care Commission Fund
6 established under § 19–111 of the Health – General Article;

7 \$26,000 of the funds in the Board of Nursing Fund established under § 8–206 of
8 the Health Occupations Article;

9 \$68,000 of the funds in the Mortgage Lender–Originator Fund established
10 under § 11–610 of the Financial Institutions Article;

11 \$62,000 of the funds in the Deep Creek Lake Recreation Maintenance and
12 Management Fund established under § 5–215 of the Natural Resources Article;

13 \$313,000 of the funds in the State Boat Act Fund established under § 8–723 of
14 the Natural Resources Article;

15 \$68,000 of the funds in the Waterway Improvement Fund established under §
16 8–707 of the Natural Resources Article;

17 \$325,000 of the funds in the Maryland Correctional Enterprises Revolving Fund
18 established under § 3–507 of the Correctional Services Article;

19 \$50,000 of the funds in the special fund established under § 6–204 of the
20 Agriculture Article;

21 \$40,000 of the funds in the State Radiation Control Fund established under §
22 8–306 of the Environment Article;

23 \$40,000 of the funds in the Maryland Clean Water Fund established under §
24 9–320 of the Environment Article;

25 \$45,000 of the funds in the State Used Tire Cleanup and Recycling Fund
26 established under § 9–273 of the Environment Article;

27 \$85,000 of the funds in the Maryland Clean Air Fund established under § 2–107
28 of the Environment Article; and

29 \$60,000 of the funds in the accounts of the Maryland Public Broadcasting
30 Commission established under Title 24, Subtitle 2 of the Education Article.

1 SECTION ~~9~~ 5. AND BE IT FURTHER ENACTED, That, notwithstanding any
2 other provision of law, on or before June 30, 2012, the Governor may transfer to the
3 General Fund:

4 \$90,000,000 of the funds in the Bay Restoration Fund established under §
5 9–1605.2 of the Environment Article that is not needed to pay debt service on
6 Revenue Bonds issued by the Water Quality Financing Administration for the
7 Enhanced Nutrient Removal Program;

8 \$2,200,000 of the funds in the Special Loan Programs Fund established under §
9 4–505 of the Housing and Community Development Article;

10 \$2,050,000 of the funds in the Neighborhood Business Development Fund
11 established under § 6–310 of the Housing and Community Development Article;

12 \$1,500,000 of the funds in the Homeownership Programs Fund established
13 under § 4–502 of the Housing and Community Development Article;

14 \$1,090,000 of the funds in the Waterway Improvement Fund established under
15 § 8–707 of the Natural Resources Article.

16 SECTION ~~10~~ 6. AND BE IT FURTHER ENACTED, That, notwithstanding any
17 other provision of law, beginning in fiscal year 2011, any subsidy received by the State
18 that is provided to employers as a result of the federal Medicare Prescription Drug,
19 Improvement, and Modernization Act of 2003, or similar federal subsidy received as a
20 result of the State’s prescription drug program shall be credited to the General Fund
21 of the State. The provisions of this section shall be construed retroactively and shall be
22 applied to any revenue received by the State on or after July 1, 2010.

23 SECTION ~~11~~ 7. AND BE IT FURTHER ENACTED, That, notwithstanding any
24 other provision of law, on or before June 30, 2011, the Governor may transfer to the
25 General Fund \$5,591,172 of the funds in the special fund established under § 13–209
26 of the Tax – Property Article. A transfer of funds from the special fund to the General
27 Fund under this section may not be taken into account for purposes of determining
28 any allocation or appropriation required under § 13–209(f) or (g) of the Tax – Property
29 Article.

30 SECTION ~~12~~ 8. AND BE IT FURTHER ENACTED, That, notwithstanding any
31 other provision of law, on or before June 30, 2012, the Governor may transfer to the
32 General Fund \$94,491,115 of the funds in the special fund established under § 13–209
33 of the Tax – Property Article. A transfer of funds from the special fund to the General
34 Fund under this section may not be taken into account for purposes of determining
35 any allocation or appropriation required under § 13–209(f) or (g) of the Tax – Property
36 Article.

37 SECTION ~~13~~ 9. AND BE IT FURTHER ENACTED, That, notwithstanding the
38 provisions of Title 1, Subtitle 3 of the Public Safety Article or any other law,

1 \$1,000,000 in fiscal year 2012 revenue from the State 9-1-1 fee on wired lines may be
2 used to support the Computer Aided Dispatch/Records Management System project in
3 the Maryland State Police.

4 SECTION ~~14~~ 10. AND BE IT FURTHER ENACTED, That, notwithstanding
5 any other provision of law, the Governor may transfer from the Senior Prescription
6 Drug Assistance Program account of the Maryland Health Insurance Plan Fund
7 established under § 14-504(e) of the Insurance Article to the Kidney Disease Program
8 established under Title 13, Subtitle 3 of the Health – General Article up to \$3,000,000
9 in fiscal year 2012, and up to \$3,000,000 in fiscal year 2013.

10 SECTION ~~15~~ 11. AND BE IT FURTHER ENACTED, That, notwithstanding
11 any other provision of law, the Governor may transfer from the Senior Prescription
12 Drug Assistance Program account of the Maryland Health Insurance Plan Fund
13 established under § 14-504(e) of the Insurance Article to the Medical Assistance
14 Program established under Title 15, Subtitle 1 of the Health – General Article up to
15 \$2,500,000 in fiscal year 2011.

16 SECTION ~~16~~ 12. AND BE IT FURTHER ENACTED, That, notwithstanding
17 the provisions of § 9-1A-29 of the State Government Article or any other provision of
18 law, for fiscal year 2011, the first \$3.6 million in funds deposited to the Racetrack
19 Facility Renewal Account shall be transferred to the Maryland Economic Development
20 Corporation. If less than \$3.6 million is transferred in fiscal year 2011, the difference
21 between the actual transfer in fiscal year 2011 and \$3.6 million shall be transferred in
22 fiscal year 2012. Additional funding of up to \$400,000 shall be transferred in fiscal
23 year 2012 to cover interest expense, fees, and administrative costs. The provisions of
24 this section shall be construed retroactively and shall be applied to any revenue
25 received by the State on or after July 1, 2010.

26 SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding the
27 provisions of § 8-402 of the Transportation Article or any other provision of law,
28 \$6,768,222 from motor vehicle registration revenues and other user fees from the
29 Motor Vehicle Administration for fiscal year 2012 shall be deposited in the General
30 Fund rather than in the Gasoline and Motor Vehicle Revenue Account of the
31 Transportation Trust Fund or the Transportation Trust Fund, respectively.

32 SECTION 14. AND BE IT FURTHER ENACTED, That, notwithstanding any
33 other provision of law, by budget amendment the Governor may transfer from the
34 Cigarette Restitution Fund established under § 7-317 of the State Finance and
35 Procurement Article to Medical Care Provider Reimbursements (M00Q01.03) in the
36 Medical Care Programs Administration up to \$444,000 in fiscal year 2012.

37 SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any
38 other provision of law, on or before June 30, 2012, any special fund savings realized in
39 fiscal year 2012 from the abolition of positions in accordance with Section 48 of
40 Chapter _____ (H.B. 70) of the Acts of the General Assembly of 2011, and any special
41 fund savings realized in fiscal year 2012 from reductions to electricity expenditures in

1 accordance with Section 50 of Chapter (H.B. 70) of the Acts of the General
2 Assembly of 2012, shall be transferred to the General Fund.

3 ~~SECTION~~ SECTION 16. AND BE IT FURTHER ENACTED, That, in addition
4 to any other revenue generated under § 19–214 of the Health–General Article, as
5 amended by this Act:

6 (a) For fiscal year 2012, the Health Services Cost Review Commission shall
7 approve a combination of hospital assessments and remittances in the amount of
8 \$389,825,000 to support the general operations of the Medicaid program. The
9 Commission may reduce assessments or remittances by the amount of any reduction
10 in State Medicaid expenditures that will result from any Commission–approved
11 changes in hospital rates or policies, other than changes authorized through the
12 pooling of graduate medical education under § 19–214(b) of the Health – General
13 Article.

14 (b) For fiscal year 2013 and every fiscal year thereafter, the Commission and
15 the Department of Health and Mental Hygiene shall adopt policies that will provide at
16 least \$389,825,000 from a combination of special fund revenues and General Fund
17 savings from reduced hospital or other payments made by the Medicaid program. The
18 policies adopted under this subsection shall be in lieu of the hospital assessment and
19 remittance revenue generated in fiscal year 2012, but may include hospital
20 assessments and remittances. To the maximum extent possible, the Commission and
21 the Department shall adopt policies that do not erode the State’s Medicare waiver.

22 SECTION 17. AND BE IT FURTHER ENACTED, That, notwithstanding §
23 9–20B–05 of the State Government Article or any other provision of law, for each of
24 fiscal years 2012 through 2014, proceeds received by the Strategic Energy Investment
25 Fund from the sale of allowances under § 2–1002(g) of the Environment Article shall
26 be allocated as follows:

27 (1) Up to 50% shall be credited to an energy assistance account to be
28 used for the Electric Universal Service Program and other electricity assistance
29 programs in the Department of Human Resources;

30 (2) At least 20% shall be credited to a low and moderate income
31 efficiency and conservation programs account and to a general efficiency and
32 conservation programs account for energy efficiency and conservation programs,
33 projects, or activities and demand response programs, of which at least one–half shall
34 be targeted to the low and moderate income efficiency and conservation programs
35 account for:

36 (i) the low–income residential sector at no cost to the
37 participants of the programs, projects, or activities; and

38 (ii) the moderate–income residential sector;

1 (3) At least 20% shall be credited to a renewable and clean energy
2 programs account for:

3 (i) renewable and clean energy programs and initiatives;

4 (ii) energy related public education and outreach; and

5 (iii) climate change programs; and

6 (4) Up to 10%, but not more than \$4 million, shall be credited to an
7 administrative expense account for costs related to administration of the Fund,
8 including the review of electric company plans for achieving electricity savings and
9 demand reductions that the electric companies are required under law to submit to the
10 Administration.

11 SECTION 18. AND BE IT FURTHER ENACTED, That, notwithstanding any
12 other provision of law, \$124,420,746 of the State funds that exceed the State share of
13 the foundation program under § 5–202 of the Education Article, because of the use of
14 federal funds available to the State through Public Law 111–226, shall be distributed
15 to each county board on June 1, 2011 to prefund in fiscal year 2011 \$124,420,746 of
16 the fiscal year 2012 State share of the foundation program required under § 5–202 of
17 the Education Article. The \$124,420,746 of State funds paid in June 2011 shall be
18 prorated according to the funding formulas applicable to fiscal year 2012 and counted
19 towards satisfaction of the State’s fiscal year 2012 obligation to provide financial
20 assistance under the foundation program.

21 SECTION 19. AND BE IT FURTHER ENACTED, That the Maryland
22 Insurance Administration shall:

23 (1) work with the Health Services Cost Review Commission and the
24 Maryland Health Care Commission to develop a mechanism for identifying hospital
25 rate adjustments and assessments as components to be considered in the
26 Administration’s process for reviewing and approving premium rates for health
27 insurance policies and contracts issued or delivered in the State by insurers, nonprofit
28 health service plans, and health maintenance organizations;

29 (2) take into account in its work under item (1) of this section:

30 (i) the tools available to the Administration for supporting
31 active premium rate review under laws regulating medical loss ratios;

32 (ii) the requirements of Section 1003 “Ensuring That
33 Consumers Get Value For Their Dollars” of the federal Patient Protection and
34 Affordable Care Act, as amended by the federal Health Care and Education
35 Reconciliation Act of 2010, and any regulations adopted or guidance issued under the
36 Acts (“Affordable Care Act”) for annual reviews of unreasonable premium increases
37 and State grants;

1 (iii) the observations relating to premium rate review and
 2 approval and interagency regulatory coordination contained in the Hilltop Institute
 3 report “Premium Rate Review of Private Health Insurers in Maryland and
 4 Opportunities for State Regulatory Coordination under Health Care Reform” issued on
 5 January 20, 2011; and

6 (iv) any recommendations that result from the analysis of rate
 7 review and public disclosure processes undertaken by the Administration with grant
 8 money provided under the Affordable Care Act; and

9 (3) report, on or before November 1, 2011, its findings and
 10 recommendations for the mechanism to be developed under item (1) of this section to
 11 the Governor and, in accordance with § 2-1246 of the State Government Article, the
 12 General Assembly.

13 SECTION 20. AND BE IT FURTHER ENACTED, That, notwithstanding any
 14 other provision of law:

15 (a) Subject to subsection (b) of this section, on or before June 30, 2012, the
 16 Governor shall transfer from the Injured Workers Insurance Fund to the General
 17 Fund an amount equal to \$6,000,000 less the amount received on or before June 30,
 18 2012, as a result of the imposition of a premium tax under § 6-101 of the Insurance
 19 Article as enacted by this Act, ~~to reimburse the State for State personnel costs in~~
 20 ~~connection with retirement and pension benefits and health care benefits for~~
 21 ~~employees and retirees that are provided to employees of the Injured Workers~~
 22 ~~Insurance Fund.~~

23 (b) Subsection (a) of this section is contingent on the taking effect of Chapter
 24 _____ (H.B. 598) or Chapter _____ (S.B. 693) of the Acts of the General Assembly of 2011,
 25 and if Chapter _____ (H.B. 598) or Chapter _____ (S.B. 693) does not become effective,
 26 subsection (a) of this section shall be null and void without the necessity of further
 27 action by the General Assembly.

28 ~~SECTION 19. AND BE IT FURTHER ENACTED, That, notwithstanding any~~
 29 ~~other provision of law, for each of fiscal years 2013 through 2016:~~

30 ~~(a) Except as provided in subsection (b) of this section, the Governor is not~~
 31 ~~required to include an appropriation in the budget for any program or item in an~~
 32 ~~amount that exceeds the fiscal year 2012 appropriation for that item or program as~~
 33 ~~approved in the State budget for fiscal year 2012 as enacted by the General Assembly.~~

34 ~~(b) Subsection (a) of this section does not apply to:~~

35 ~~(1) funding required for State aid to public elementary and secondary~~
 36 ~~education as provided under Title 5, Subtitle 2 or § 4-121, § 4-122, § 6-306, § 8-310.3,~~
 37 ~~§ 8-317, or § 8-415 of the Education Article;~~

1 ~~(2) the State's employer contribution to the State Retirement and~~
 2 ~~Pension System required under § 21-308 of the State Personnel and Pensions Article;~~

3 ~~(3) any appropriation to the Maryland Agricultural and~~
 4 ~~Resource Based Industry Development Corporation established under Title 10,~~
 5 ~~Subtitle 2 of the Economic Development Article; or~~

6 ~~(4) any appropriation required to the Revenue Stabilization Account of~~
 7 ~~the State Reserve Fund under § 7-311 of the State Finance and Procurement Article.~~

8 SECTION 21. AND BE IT FURTHER ENACTED, That, notwithstanding any
 9 other provision of law:

10 (a) Subject to subsection (b) of this section, on or before June 30, 2012, the
 11 Governor shall transfer from the Maryland Automobile Insurance Fund to the General
 12 Fund an amount equal to \$4,000,000 ~~to reimburse the State for State administrative~~
 13 ~~expenses in connection with the management of retirement and pension benefits and~~
 14 ~~health care benefits for employees and retirees that are provided to employees of the~~
 15 ~~Maryland Automobile Insurance Fund.~~

16 (b) Subsection (a) of this section is contingent on the taking effect of Chapter
 17 (S.B. 993) of the Acts of the General Assembly of 2011, and if Chapter (S.B.
 18 993) does not become effective, subsection (a) of this section shall be null and void
 19 without the necessity of further action by the General Assembly.

20 SECTION ~~20.~~ 22. AND BE IT FURTHER ENACTED, That, notwithstanding
 21 any other provision of law, no amounts may be expended in fiscal year 2012 to pay
 22 increases over the rates in effect on January 21, 2011, for providers ~~with rates set by~~
 23 ~~the Interagency Rates Committee of nonpublic placements~~ under § 8-406 of the
 24 Education Article or providers ~~of nonpublic placements~~ with rates set by the
 25 Interagency Rates Committee under § 8-417 of the Education Article.

26 SECTION ~~21.~~ 23. AND BE IT FURTHER ENACTED, That, notwithstanding
 27 any other provision of law, State employees employed by any entity, including the
 28 University System of Maryland, Morgan State University, and St. Mary's College of
 29 Maryland, may not receive merit increases prior to April 1, 2014. This provision does
 30 not affect salaries for constitutional officers or members of the General Assembly ~~or,~~
 31 increases necessary for the retention of faculty in the University System of Maryland,
 32 Morgan State University, or St. Mary's College of Maryland, ~~or payments pursuant to~~
 33 ~~a collective bargaining agreement negotiated with an accredited representative in~~
 34 accordance with § 7-601 of the Transportation Article.

35 SECTION ~~22.~~ 24. AND BE IT FURTHER ENACTED, That, notwithstanding §
 36 36 of Chapter 484 of the Acts of the General Assembly of 2010 or any other provision
 37 of law, for fiscal years 2011 and 2012 only, State employees employed by the
 38 Department of Health and Mental Hygiene at a facility that is scheduled to be closed

1 may, subject to the approval of the Secretary of Budget and Management, receive
2 retention bonuses.

3 SECTION 25. AND BE IT FURTHER ENACTED, That, notwithstanding §§
4 22-406 or 23-407 of the State Personnel and Pensions Article and except for an
5 individual whose retirement allowance is subject to a reduction as provided under §
6 22-406(c)(1)(iii) and (3) or § 23-407(c)(1)(iii) and (3), the reduction of an allowance
7 does not apply to an individual who was previously employed by the State Retirement
8 Agency, retired, and is rehired by the State Retirement Agency for a period not to
9 exceed 1 year to assist in the implementation of the pension option selection enacted
10 during the 2011 session of the General Assembly. This exception to the earnings
11 limitation provisions of §§ 22-406 and 23-407 shall be abrogated and of no further
12 force and effect on June 30, 2012.

13 ~~SECTION 25.~~ SECTION 26. AND BE IT FURTHER ENACTED, That, notwithstanding
14 State Personnel and Pensions Article, §§ 21-304 and 21-308, or any other provision of
15 law, to reflect the actuarially determined impact of legislation increasing employee
16 contributions to and reducing the liabilities of the State Retirement and Pension
17 System, the Governor shall include in the budget bill the following amounts:

18 (1) For fiscal year 2012 only, the Governor is not required to include in
19 the budget bill the total amount of the State's contributions to each system as
20 ascertained based on the rates certified by the Board of Trustees for the State
21 Retirement and Pension System, but the Governor shall include in the budget bill the
22 total amount of the State's contributions to each system as ascertained based on the
23 rates certified by the Board of Trustees less \$120,000,000;

24 (2) For fiscal year 2013 only, in addition to the total amount of the
25 State's contributions to each system certified by the Board of Trustees, the Governor
26 shall include in the budget bill an additional amount that reflects the difference
27 between the State's required contribution for that fiscal year and the amount that the
28 Board determines would have been required had legislation increasing employee
29 contributions to, and reducing the liabilities of, the State Retirement and Pension
30 System not been enacted in 2011, less ~~\$60,000,000;~~ and \$120,000,000.

31 ~~(3) For fiscal year 2014 and each year thereafter, in addition to the~~
32 ~~total amount of the State's contributions to each system certified by the Board of~~
33 ~~Trustees, the Governor shall include in the budget bill an additional amount that~~
34 ~~reflects the difference between the State's required contribution for that fiscal year~~
35 ~~and the amount that the Board determines would have been required had legislation~~
36 ~~increasing employee contributions to, and reducing the liabilities of, the State~~
37 ~~Retirement and Pension System not been enacted in 2011.~~

38 SECTION 27. AND BE IT FURTHER ENACTED, That, notwithstanding §
39 21-316 of the State Personnel and Pensions Article, as enacted by this Act, or any
40 other provision of law, on or before July 1, 2011, the Board of Trustees shall:

1 (1) Determine the per member contribution amount and the amounts
2 payable by each local employer for fiscal year 2012 under § 21-316 of the State
3 Personnel and Pensions Article; and

4 (2) Certify to each local employer the per member contribution and the
5 amounts payable by the local employer.

6 SECTION ~~24~~ 28. AND BE IT FURTHER ENACTED, That the Governor's
7 Salary Commission and the General Assembly Salary Commission shall, taking into
8 account the sustainability of the pension systems, include specific recommendations in
9 their respective reports concerning appropriate benefit and member contribution
10 levels.

11 SECTION ~~25~~ 29. AND BE IT FURTHER ENACTED, That the Board of
12 Trustees for the State Retirement and Pension System shall provide an annual report
13 to the Governor and the Joint Committee on Pensions, on or before December 15 of
14 each year, on the funding progress of the several systems. The Secretary of the
15 Department of Budget and Management shall report biennially, beginning on January
16 1, 2013, to the Governor and the General Assembly, in accordance with § 2-1246 of the
17 State Government Article, on the financial health of the several systems. The
18 Secretary's report shall reflect the State system's progress towards achieving the
19 statutory funding goals, and shall include recommendations concerning modifications
20 to the funding methods or benefits structure.

21 ~~SECTION 26. AND BE IT FURTHER ENACTED, That, notwithstanding the~~
22 ~~provisions of § 8-402(c) of the Transportation Article as enacted by this Act, the~~
23 ~~modified percentage of distribution of highway user revenues to the Department of~~
24 ~~Transportation for fiscal year 2012 does not apply unless the General Assembly~~
25 ~~appropriates in the Budget Bill (S.B. 85/H.B. 70) for fiscal year 2012 funds that are~~
26 ~~sufficient to pay in fiscal year 2012 the principal of and interest due and payable in~~
27 ~~that fiscal year on the Department's Consolidated Transportation Bonds that were~~
28 ~~issued before July 1, 2011. If funds are appropriated by the General Assembly in the~~
29 ~~fiscal year 2012 Budget Bill (S.B. 85/H.B. 70) to pay in fiscal year 2012 the principal of~~
30 ~~and interest due and payable in fiscal year 2012 on the Department's Consolidated~~
31 ~~Transportation Bonds that were issued before July 1, 2011, the distribution of~~
32 ~~highway user revenues to the Department of Transportation for fiscal year 2012 shall~~
33 ~~be made in accordance with § 8-402(c)(2) as enacted by this Act.~~

34 SECTION 30. AND BE IT FURTHER ENACTED, That, notwithstanding the
35 provisions of this Act, except as otherwise provided in this section, the altered
36 distributions of the revenues from the corporate income tax and the sales and use tax
37 under the provisions of Title 2, Subtitles 6 and 13 of the Tax – General Article as
38 enacted by this Act do not apply until any Consolidated Transportation Bonds that
39 were issued by the Department of Transportation before July 1, 2011, no longer
40 remain outstanding and unpaid. In any fiscal year for which funds are appropriated by
41 the General Assembly to pay the amount due and payable in that fiscal year for the
42 principal of and interest on the Department of Transportation's Consolidated

1 Transportation Bonds that were issued before July 1, 2011, the revenues from the
2 corporate income tax and the sales and use tax shall be distributed as provided in Title
3 2, Subtitles 6 and 13 of the Tax – General Article as enacted by this Act.

4 SECTION 31. AND BE IT FURTHER ENACTED, That, notwithstanding any
5 other provision of law, if the University System of Maryland, St. Mary's College of
6 Maryland, or Morgan State University institute a voluntary separation program under
7 Executive Order 01.01.2010.23:

8 (a) The institution that institutes the program:

9 (1) shall provide as part of the program that the positions of the
10 employees who separate from employment under the program be abolished; and

11 (2) may not recreate the positions that are abolished under the
12 program, notwithstanding the autonomy of the institution to create positions as
13 needed.

14 (b) The portion of the salaries for the positions of the employees who
15 separate from employment under the program that have been appropriated for fiscal
16 year 2012 from State funds shall be transferred to the General Fund of the State.

17 SECTION ~~27.~~ 32. AND BE IT FURTHER ENACTED, That, if any provision of
18 this Act or the application thereof to any person or circumstance is held invalid for any
19 reason in a court of competent jurisdiction, the invalidity does not affect other
20 provisions or any other application of this Act which can be given effect without the
21 invalid provision or application, and for this purpose the provisions of this Act are
22 declared severable.

23 ~~SECTION 28. AND BE IT FURTHER ENACTED, That, except as provided in §~~
24 ~~16-1001(b) of the Transportation Article, as enacted by this Act, Title 16, Subtitle 10~~
25 ~~of the Transportation Article, as enacted by this Act, shall be construed to apply only~~
26 ~~prospectively and may not otherwise be applied or interpreted to have any effect on or~~
27 ~~application to a conviction of, or the assessment of points against or points~~
28 ~~accumulated by, a licensee before the effective date of this Act.~~

29 SECTION 33. AND BE IT FURTHER ENACTED, That §§ 9–103 and 9–255 of
30 the Tax – Property Article as enacted by this Act shall be applicable to tax credits
31 granted for qualified property for which a property tax credit has not been granted for
32 any taxable year beginning before July 1, 2011.

33 SECTION 34. AND BE IT FURTHER ENACTED, That, subject to Section 30 of
34 this Act, the repeal of § 2–1302.2 of the Tax – General Article under this Act shall take
35 effect July 1, 2011.

36 SECTION ~~29.~~ 35. AND BE IT FURTHER ENACTED, That Section 4 of this Act
37 shall take effect July 1, 2015.

1 SECTION ~~30~~ 36. AND BE IT FURTHER ENACTED, That, except as otherwise
2 provided in this Act, this Act shall take effect June 1, 2011.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.